

## Mogućnosti održivog razvoja malih gradova

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**Apstrakt:** Početak koncepta održivog razvoja u skladu sa lokalnim ekonomskim razvojem javlja se 70 – tih godina 20. veka kada su lokalne vlasti zapadnih zemalja uvidele da njihove lokalne zajednice napušta mobilni kapital, te da se sužavaju njihovi ekonomski potencijali i prostor za zapošljavanje građana. To je stvorilo potrebu da se prvi put krene u ozbiljnu analizu lokalnih ekonomskih potencijala i utvrđivanje načina na koji se oni najbolje mogu iskoristiti, zadržati i razviti, ali i prepreka koje stoje na tom putu, kako bi se ostvario održivi razvoj lokalne sredine. Lokalni ekonomski razvoj posmatramo i kao proces određenih promena, gde se u borbi tržišta, privrede i države sada uključuju i lokalne samouprave, gde se i one kao najniži organ državne uprave prepoznaju kao konkurenti na tržištu i u saradnji sa privrednim sektorom nastoje da budu inovativniji i konkurentiji među sobom.

**Ključne reči:** lokalni ekonomski razvoj, radna mesta, lokalna samouprava, preduslovi, resursi.

## Small-town Sustainable Development Opportunities

**Abstract:** The notion of sustainable development in a line with local economic development emerged in the seventies of the 20th century when local authorities in the western countries realized that their local communities had begun abandoning mobile capital, which resulted in limiting their economic potentials and opportunities for citizens' employment. This necessitated both a detailed study of the local economic potentials, the determination of best ways to use, maintain and develop them, and a thorough examination of the impediments to the local community's economic development. Local economic development is also seen as a process of certain changes, where, in the competition for the market, economic and country dominance, local governments, despite their status as the lowest level of public administration, are recognized as competitors in the market and, in collaboration with the economic sector, try to be more innovative and more competitive among them.

**Key words:** local economic development, jobs, local government, prerequisites, resources

### 1. Introduction

Many different economic scientists, professional groups, and institutions have attempted to construct a universal definition of local economic development by studying and defining it, but even today there isn't one, which indicates the topic's complexity. The development process and the acceptance of innovations are characterized by complexity, dynamism and uncertainty. The innovation process involves a large number of factors that are again influenced by other factors, so the process is very complex. The dynamics of this process is reflected in the interaction of factors and their changes over time (Silvestre and Țircă, 2019).

We can describe the process of local economic development as collaboration between individuals from small and large cities and municipalities, as well as public figures from the business and nongovernmental sectors, to improve economic development circumstances and create new job opportunities. They develop and maintain a dynamic entrepreneur culture in this way, as well as a new community and business climate, to enhance the quality of life in a local community. Today, cities are complex entities characterized by an increasing number of people, companies, various modes of transport, services, etc. Also, this growth is accompanied by increased technical, social, economic and organizational problems, which directly affect sustainable development (Neirotti et al., 2014). The

following thesis (characteristics) of local economic development mentioned in the text above is as follows:

- Local economic development is a process (a change on a local level).
- The goal of the economic development is to increase employment rate and income per capita, where local economic development represents the same but on a local level of self-government.
- Collaboration between the private and public sectors can help to accelerate economic development.

Local economic development requires a strategic plan as well as specialized resources.

## **2. Local economic development (LED) and local self-governments in Serbia**

The concept of local economic development became popular in Serbia after the so-called fifth November changes, but more significant shifts in this field occurred after the global economic crisis in Serbia took place and when it became apparent that all social potentials must engage in order to stabilize economic growth, while the main problems of the citizens were unemployment (43%) and poor living standards (20%). Another important event in recent Serbian history is the change of the Law of Financing Local Government, from 2011, where the percentage of taxes increased and incomes that were left for the local government went from 40% to 80% (excluding the city of Belgrade), which gave the local governments big means compared to the previous period, but also motivation to work towards increasing the number of employed in their municipality (Begović et al., 2006).

However, not even then, did all local governments in Serbia start to work on their economic development and competition. Some local governments had begun putting those ideas into practice much earlier and, as a result, they were more successful during the transition period, being classified as local governments of the first and second categories by the Ministry of Public Administration and Local Self Government of the Republic of Serbia (Stojković, 2017). Then, other governments began considering means and the methods for alluring investors and creating job opportunities, but some still haven't tackled the issue, and today those fall into the fourth and fifth category of the local self-governments, i.e. they are underdeveloped and destroyed municipalities.

However, the local government's initiative is not the most important aspect or the only factor that influences the success or failure of self-government; there are other factors that influence the development of a municipality, and they are as follows:

- Geographical location, i.e., where the local self-government is located (practice has shown that municipalities that rely on a highway or have an airport nearby, ports, railways, or other transportation stations have far more progressive growth than municipalities that do not).
- Natural resources on the territory of the local government.
- The inherited economical and infrastructural conditions from the preceding period

Local authorities consider neighborly activism key source information on political opportunities. In this way, mayors have an insight into the public opinion of the local community (Einstein et al., 2019). Apart from the factors over which local governments have very little control over, there are certain specific conditions that management can influence directly or indirectly (Kalač et al., 2017):

- The private sector does not restrain the public sector (public sector with timely reactions encourages the development of the private sector and entrepreneurship).
- Proactive and entrepreneurial public sector (the establishment of business incubators, industrial parks/zones, the encouragement of public-private partnerships with the local government).
- A larger group of actively engaged human resources to promote local economic development
- The establishment of a separate organization within local government devoted only to economic development.

Along with all of the factors and conditions that affect local government, we should mention that the size of the local government is indirectly linked to a municipality's financial capacity, which is also

linked to the size of city administration, i.e. human resources that can be involved in economic developmental work in the way that there are a number of segments that more or less affect the development (Živković, 2018).

In conclusion, the aforementioned statement emphasizes how complicated local economic development is and how many variables must be considered in order to come up with a solution as to how to improve the quality of life of its residents (Begović et. al., 2006).

## 2.1 The municipality of Opovo

### 2.1.1 The main characteristics of the local government

Physical features - geographical characteristics: the Municipality of Opovo is one of the smaller municipalities in both the Autonomous Province of Vojvodina and the Republic of Serbia. The municipality consists of four populated areas: Opovo, Sakule, Baranda, and Sefkerin, and it covers a total area of 203km<sup>2</sup>, out of which 16,772 hectares are agricultural land and 1,313 hectares (10% of the total surface area) are woods. When it comes to the agricultural land, chernozem (the black soil), i.e. the first-class soil for agricultural farming prevails (64%). In addition, there are also alluvial plains along the Tamis River's shore, excellent for olericulture, meadow rich soil, quagmire, and saline soil in the land's composition. The land is suitable for organic agriculture which has been on the rise in the Republic of Serbia during the the last decade (Kranjac & Tomić, 2017; Ilić-Kosanović, et al., 2019).

The municipality belongs to the moderate continental climatic zone, with an average annual air temperature of 11 degrees (average temperature in January is - 1, in July 22.7 degrees). Kosava as the dominating wind, and an average rainfall of 610mm, with the most rainfall in May and June, and the least in September (Roljević et al., 2017). When it comes to the hydrological features, there is a 29km long river Tamis, which circulates through the municipality.

Furthermore, there are artificial lakes and canals. The lakes were built to meet the needs and demands of fishponds that take up a total surface area of 1.005 hectares out of which 560 hectares belong to the area of Sakule, 270 to Baranda, and 175 to Opovo (Strategija lokalnog održivog razvoja, 2015).

Another important fact is that Opovo is situated in close proximity to the city of Belgrade (32 km), Pancevo (28 km), and even Zrenjanin (40 km) and Novi Sad (77 km). The municipality relies on the state route of order 13 (IB 13) Zrenjanin- Beograd, and by having built the Pupin Bridge, it is possible to arrive from Nikola Tesla airport to the motorway (E75) in less than an hour.

Demographic characteristics: The local population is the major driving force behind the territory's development and the cause for the creation of all strategical courses of actions of a local government (Zakon o lokalnoj samoupravi, 129/07, 83/14). This is why it is essential to examine the population from both quantitative and qualitative aspects (characteristics, structure, etc.). According to the census, all four inhabited areas of the municipality are experiencing a population decline. However, the decrease is moderate, as it is typical of municipalities in the Vojvodina Autonomous Province (Romer, 1996).

Table 1: The municipality of Opovo's population

Naselje	1991	2002	2011
<b>Opovo</b>	4717	4693	4.527
<b>Baranda</b>	1660	1648	1.544
<b>Sakule</b>	2188	2048	1.847
<b>Sefkerin</b>	2705	2627	2.522
<b>Total:</b>	11270	11016	10.440

Source: Republic Statistical Office

Table 2. The population according to census and the average population growth rate

The settlement	Year of census							Average growth rate	
	1948	1953	1961	1971	1981	1991	2002	1948/02	1981/02
<b>Baranda</b>	1917	1934	1841	1671	1656	1690	1648	-0,28	-0,02
<b>Opovo</b>	4396	4415	4254	4482	4769	4781	4693	0,12	-0,08
<b>Sakule</b>	2908	2822	2725	2525	2280	2206	2048	-0,65	-0,51
<b>Sefkerin</b>	3035	3134	3028	2837	2836	2711	2627	-0,27	-0,37
<b>Total</b>	12256	12305	11848	11515	11541	11388	11016	-0,20	-0,22

Source: Local sustainable development strategy of the municipality of Opovo

Regard educational background in relation to gender qualification, it can be stated that a percentage of both men and women lack elementary education. When compared to males, more women have a high level of education, yet this number is still unsatisfactory when it comes to emancipation. The primary causes of this condition, which must be addressed in the future, are the existing traditional system of values, male and female job divisions, poor material status, and the effect of agriculture.

According to the National Employment Service, there are more unemployed women than unemployed males in the municipality of Opovo. Even though they have the same educational background and professional skills as their male colleagues, women tend to take longer to get jobs and have a harder time climbing the social ladder. One of the reasons why it is difficult for women to pursue a profession and why they are not regarded equally in society is the aforementioned social heritage in the form of traditional values and conventions, are still present (Statut opštine Opovo, 2012). As a result, it is vital to encourage women to be ready to make their own decisions and thus stop being driven by old social norms, while also acting on behalf of the entire local government to eliminate existing gender stereotypes.

Table 3: The unemployed in the municipality of Opovo

Professional qualifications level	Total	Men	Women
<b>NK-I</b>	904	380	520
<b>PK-II</b>	88	35	58
<b>KV-III</b>	495	286	208
<b>SSS-IV</b>	350	130	220
<b>VKV-V</b>	15	8	7
<b>VSS-VI</b>	27	12	15
<b>VSS-VII</b>	21	14	7
<b>Total</b>	1,900	865	1,035

Source: Local sustainable development strategy of the municipality of Opovo

Women's contingent work ranges from 15 to 54 years old, while men's ranges from 15 to 69 years old, which makes 63.3% of the population. The overall number of active people is 5,270, with a general rate of activity of 47.8%. The total contingency work utilization rate is 75.6%.

According to the most recent census, 27.7% of the population is agricultural population, out of which 59.6% is actually active in the industry. Based on everything, we can infer that the general demographic situation on the territory of the municipality of Opovo is rather unfavorable. It is imperative that all social classes participate in initiating demographic processes because the analysis has shown that the current situation is unfavorable, as evidenced by depopulation in all inhabited areas, negative population growth, an unfavorable age structure, a high aging index, and youth migrations in recent years, particularly among those with a high level of education (Stojanov et. al., 2011).

## 2.1.2 Institutions on the territory of the municipality of Opovo

### 2.1.2.1 Healthcare institutions

A number of healthcare institutions are located in the municipality of Opovo. In 2015, the World Health Organization published data that over 10 million deaths a year could be avoided if health interventions were performed in a timely manner (Guo et al., 2017). The health center Opovo provides basic medical care to the municipality's 10 440 residents. There are health centers in all populated localities (Opovo, Sefkerin, Baranda, Sakule) that include a general medicine treatment center, a general dental clinic, and a pharmacy. In Opovo, there is a 24-hour emergency care service as well as specialised services (pediatricians, internists, x-ray services, and a laboratory). When compared to the normal services provided by the Health Insurance Fund, all of the aforementioned services are highly equipped and offer a greater variety of utilities. When faced with life threatening cases, the ambulances immediately transport patients to the hospital of Pancevo, or Belgrade Emergency Clinic, which is 35 kilometres away from Opovo. A new information system was introduced in the health centre Opovo, which enabled better management of medical records and better monitoring of the statistical indicators of community health (Stojanović et al., 2017).

The health center Opovo has 85 employees, including 69 unspecified-duration workers, 16 fixed-duration workers, and 7 pharmacy workers, who completely meet the needs of the municipality's users. The health centre Opovo is largely funded by the Health Insurance Fund, as well as the local self government's budget, and it is also an indirect consumer of the autonomous province's healthcare secretariat. When it comes to the local government's budget, the health centre creates a financial plan that it then submits to the city administration, which takes the matter into consideration and makes the decision. The local budget's resources are typically utilized for material expenses, like regular repairs and maintenance, as well as the acquisition of modern equipment, to ensure that the health center's working conditions and services are thorough and of high quality.

### 2.1.2.2 Education

Education can be considered the starting point of economic growth of a country, city and local communities. Education eliminates poverty and can be considered a socio-economic category (Liu et al., 2021). Also, education is creating human capital, which is also a determinant of cultural characteristics.

When it comes to the learning facilities on the municipality of Opovo's territory, there is an elementary school, *Dositej Obradovic*, as well as a preschool educational institution, *Bambi*, with separate sections in Sakule, Sefkerin, and Baranda. There are no high schools or colleges in the area.

Table 4: The number of pupils in the elementary school *Dositej Obradovic*

Settlement	Level								Total
	I	II	III	IV	V	VI	VII	VIII	
Opovo	40	53	38	43	49	49	54	62	388
Baranda	28	14	23	15	22	25	23	16	166
Sakule	21	15	20	17	18	23	19	21	154
Sefkerin	32	22	32	36	26	34	30	26	238
<b>Total</b>	121	104	113	111	115	131	126	125	946

Source: Elementary school "DositejObradović" Opovo

The elementary school in Opovo was built in 1982 and has 13 classrooms with equipped rooms, an editorial office, canteen, library with study hall, adequate teaching staff, utility workers, the principal, secretary, pedagogue, counselors, dental clinic, boiler room with related heating equipment, and two community work rooms. The school has a total of 4.462 m<sup>2</sup> of surface area. The school in Baranda, built in 1982, contains 8 classrooms, a multimedia library, a staff room, and a secretary's office. The boiler room and preschool have their separate sections in the building. The overall size of the property is 1,443m<sup>2</sup>.

Sakule's school building was built in 1961 and renovated in 1988. It has nine classrooms as well as rooms for the secretary, employees, and utility personnel. The boiler room is located in the basement of the school building, and the kindergarten occupies a part of the school's building. A library is also present. 1618m<sup>2</sup> is the total surface area. The Sefkerin's school building was built in the middle of the nineteenth century and was upgraded in 1964. It contains ten classrooms, a recently built gym hall for physical education classes, a utility workers' room, a staff room, and a secretary office, with the heating furnace in a separate building. The overall dimensions of the property are 1,113m<sup>2</sup>.

The fact that all schools have informatics classrooms with full computer equipment, as well as gym halls with locker rooms supplied with sports requisites is worth noting. All four schools' bathrooms have recently been renovated to meet current standards, and new features such as additional classrooms for specialized topics, libraries and classrooms for the students' parliaments have been added. Between 2011 and 2015, thermal insulators were installed in three out of four schools with the help of the local government and sponsors. This budget also assisted in the conversion of all four schools' heating systems to pellet heating, which allowed the municipality to save a considerable amount of money. The schools are funded by the Ministry of Education and also by the support of the local government in the areas of material and current costs, equipment, construction works, etc.

Preschool teaching methods and education have a long history, and children are almost completely familiar with the curriculum before entering elementary school, whereas day-long stays at institutions have been practiced since 1987. In Opovo, there is a building that was constructed particularly to correspond to the content of preschool teaching education methods. The educational program is carried out in four classrooms, and the building includes a central heating system with a separate boiler room. Preschool education is generally provided in objects that are connected to or in close proximity of elementary school buildings.

### **2.1.2.3 Social Politics**

On November 1, 2006, the Opovo Municipality's Center for Social Activity began its autonomous work. Countries around the world differ in their development and concept of primary protection. The reasons are many; there are differences in wealth, politics, culture, etc. In this regard, the state of social health insurance is characterized by insufficient availability and continuity of primary care (Kringos et al., 2013). Among the social staff are a psychologist, a pedagogue, a social worker, and administrative workers. Their work includes the payment of benefits to socially endangered families, the placement of neglected children in orphanages, the placement of the elderly in nursing homes, the payment of benefits and complete coverage of socially endangered citizens' requests, the adoption of children into foster families, the resolution of broken family relationships, domestic violence, and juvenile delinquency.

### **2.1.2.4 Humanitarian organizations**

The Red Cross is a municipality-run organization with one employee dedicated to assisting refugees and internally displaced persons. According to the 2005 census, there are 219 refugees and exiled people on the territory of the municipality of Opovo that come from the Socialist Federal Republic of Yugoslavia former republics, as well as 73 displaced people from the territory of Kosovo and Metohija. The aid mainly comes from the local government's residents in terms of clothing and food for long term needs, as well as from the financial support of the Commissariat for Refugees and Migration. Apart from that, the Red Cross organizes voluntary blood donation campaigns (four times a year) in all four populated areas, offers assistance for the new born babies and conducts other thematic and educational activities.

### **2.1.2.5 Communal activities**

The Mladost Opovo Public Utility Enterprise serves the whole Opovo Municipality, including Opovo, Sakule, Baranda, and Sefkerin. The participation of women in community decision-making processes can be observed through civic activities. Based on the views of the women participants in the Regenerated Freirean Literacy through Empowering Community Techniques) study, it is concluded that the implementation of the REFLECT project in the local community resulted in the empowerment of women, but not in all spheres of society, such as politics (Akkas, 2014). PUE Mladost is a municipal company responsible for water production and distribution, as well as utility services such as the

maintenance of parks and cemeteries, winter parking areas, bus stations and stops, and street light control system in all four populated areas. These communal activities are managed by a team of 28 people.

### 3. Economic characteristics and infrastructure

The first thing worth mentioning is that the degree of economic development of a certain area is determined by a number of factors, one of which is an individual's gross earning.

Table 5: Gross national income per capita in dinars

	National per capita income in dinars					
	2002	level2002 PC=100	2003	level2003 PC=100	2004	level2004 PC=100
Republic of Serbia	76349	100.0	88283	100,0	118947	100,0
Province of Vojvodina	89738	117.5	100854	114,2	132625	111,5
South Banat District	98607	129.2	142923	161,9	156928	131,9
Opovo	60467	79.2	67023	75,9	113447	95,4

Source: Local sustainable development strategy of the municipality of Opovo

In terms of overall revenue earned per capita, the South Banat District, which includes the municipality of Opovo, is classed as underdeveloped. The question is: is the current pattern of production applicable and sustainable for an industry that favors insufficient domestic knowledge and prevents research at the local level in favor of the rapid expansion of internationally integrated production (Cimoli and Katz, 2003)? Opovo is ranked sixth out of the district's eight municipalities (Stojanov et al., 2011). According to this indicator, The Municipality of Opovo falls under the districts which are considerably below average when compared to the other inhabited areas of the South Banat District, AP Vojvodina and the Republic of Serbia (Naled, 2018). In many underdeveloped communities, the informal sector has emerged as a key factor leading to underdevelopment. This obstacle to economic progress is reflected in the acquisition of assets and the impact on structural changes in production and industry (Cimoli and Dosi, 1995).

Two criteria are used to illustrate the economic structure of the municipality of Opovo: national income as a macroeconomic measure of progress and the number of people employed in certain fields. Fiscal expansions are linked to public debt but nevertheless allow for an improvement in the dynamics of real GDP, labor productivity and employment (Caiani et al., 2018). The national gross income represents the newly realized value of money during the year, and the statement relies on the concept of material production where the enterprise data is collected via annual financial reports. Special field researches are used to make statements on private agricultural ownerships and private activities (Lokalni ekonomski razvoj, 2001).

Table 6. National gross income measured by sectors

	000 din	%
Total	1255179	100
Agriculture and Forestry	731013	58.24
Fisheries	1158	0.09
Manufacturing industry	186573	14.86
Production and distribution of water, gas and electricity	151885	12.10
Construction	4198	0.33
Trade	71329	5.68
Hospitality management	5036	0.40
The transportation and storage services sector	93011	7.41
Real estate	10976	0.87

Source: Local sustainable development strategy of the municipality of Opovo

By looking at the table, we can conclude that agriculture earned more than 58% of the total national gross income, followed by the manufacturing industry with around 15%, and after which comes the

production and distribution of electrical energy, gas and water. Construction, fishing, hotels, restaurants, and other businesses account for a minor portion of revenue throughout that time period (Molnar, 2016). The structure of the workforce in specific sectors may be used as one of the indications of the municipality's economic structure.

Table 7. The employed according to different sectors

<b>TOTAL</b>	<b>1214</b>	<b>100.0%</b>
<b>Women out of the total number</b>	470	38.7%
<b>Employed by companies, institutions, organizations</b>	819	67.5%
<b>Women employed by companies, institutions, organizations</b>	311	25.6%
<b>Economy</b>	571	47.0%
<b>Non-economic activities</b>	248	20.4%
<b>Agriculture and forestry</b>	272	22.4%
<b>Fisheries</b>	40	3.3%
<b>Manufacturing industry</b>	131	10.8%
<b>The production and distribution of electrical energy, gas and water</b>	30	2.5%
<b>Wholesaling and retail trade</b>	57	4.7%
<b>The transportation and storage services activities</b>	22	1.8%
<b>Financial intermediation</b>	16	1.3%
<b>Real estate activities and intermediation</b>	4	0.3%
<b>Public administration and social security</b>	48	4.0%
<b>Education</b>	102	8.4%
<b>Health and social care work</b>	93	7.7%
<b>Other communal activities</b>	6	0.5%
<b>Independent entrepreneurship</b>	395	32.5%
<b>Employed women in the aforementioned sector</b>	159	13.1%

Source: Local sustainable development strategy of the municipality of Opovo

Also, the majority of the employed people are small business owners who usually work in the secondary and tertiary sectors (Paunović, 2017). Despite that, an unfavorable state prevails in the terms of the complete absence of industrial production or manufacturing, which is the powerhouse of every municipality. In the last few years there have been significant positive changes on the territory of the municipality when it comes to the economic domain. Company Agros d.o.o. which has been successfully operating for a decade in the municipality is beginning to branch out, dairy factory Maestro located in Sakule is slowly beginning to move out of the business blockade and renew its production plants. The local government recognizes the potential of the local economic development and it is starting to work on forming industrial zone Opovo - Baranda.

The business/industrial zone Baranda is being built alongside the state road 124. The overall surface area of the complex is 15.4642 hectares. The complex is divided into two halves by a canal that flows through the middle. Immediately after the work zone is established, two investors (firms Niba woods and ADC Plast d.o.o.) will begin their activities, employing about 100 employees. However, an approach to the industrial zone visualization was just introduced at the beginning of 2016, and clear parameters for future investment in the complex to attract investors were established. With this concept, which incorporates a river canal that runs through the middle of the industrial zone, two bridges will be built to connect two main roadways, providing access to all of the parcels (Stojanović et. al., 2017.). A walking route and a stretch of greenery will be built alongside the canal, while long-term parking lots will be built along the key transit lines. Every parcel will be fenced, and there are plans to construct ramps at each entry.

When it comes to commercial production facilities, there are plans for a distribution-logistics center, fruit and vegetable preparation facility with a warehouse, silos, wooden furniture manufacturing, textile manufacturing, a plant for paper production, and an auto components factory. In addition to business facilities, the project also includes the construction of an electrical substation in the complex, as well as an anti-hail rocket station and wastewater treatment plants all of which would be built on public construction property as a local self-government investment in future investors.

Furthermore, a special project developed a conceptual technical solution to connect the settlements of Opovo and Baranda with a pedestrian and bicycle trail, given that the distance between these two places is only 3 kilometers which would allow fellow citizens from the municipality of Opovo to reach the industrial zone by bicycle or on foot as they do even now.

Figure 1. Industrial zone Baranda



Source: Department of Construction, Urban Planning and Environmental Protection of the Municipal Administration of Opovo

Only through such projects can the municipality of Opovo compete with other local governments, as it strives to use the geostrategic potential of nearby urban centers as well as good transportation connections (Ubavić, 2015).

#### 4. Cultural and social characteristics

The Jovan Popovic Gallery is one of the most memorable features of the municipality of Opovo. In 1970, the gallery was built as a specialized facility for the display of both famous and infamous artists' work. Throughout the year, the gallery hosts a variety of shows, ranging from museum exhibits to contemporary art. The gallery also hosts art colonies, which were dubbed *the most massive assembly of both foreign and national artists* in 2016. More than 300 works of art are on display at the gallery.

The municipality's public library has 4 separate branches in every municipality's inhabited area and it has a total fond of 46,250 books, out of which 36,233 are for adults and 9,927 for kids. There is an architectural inheritance which is an old school building more famous as Villa Helena. The building is more than 100 years old, and it is adequate for being invested in in the sense of opening a museum, a cultural center or something similar (Rapaić, 2017).

On the territory between Opovo and Sefkerin there is an archaeological site, where some objects made of fired clay were discovered (a figurine, altars, bowls) dating from 2500 B.C These objects are presently in the depot of the museum in Pancevo, although there is an intention to have them exhibited in an adequate place in Opovo, in that exact part of the old school building ie the Villa Miss Helena. There are quite a few local manifestations out of which the most frequently visited ones are *Fijakerijada* which typically takes place during the month of May in Opovo, then rock festival also taking place in Opovo, *the Shepards days* in Sakule, *Gulasijada* contest in Baranda and many more similar manifestations with different themes ranging from traditional to modern, sports and recreational, and urban. We should mention that the initiators of almost all social activities in the municipality are citizens' committee, while the funding comes from the local government. However, the territory has pretty diverse social and cultural activities during the year.

#### 5. Conclusion

When we consider the potentials, resources, and objects, Opovo, while being one of the smallest towns, has all of the requirements for steady and relatively strong economic development. It is situated at an excellent geo - strategic location, near to major cities and roads, and the river Tamis' waterway provides opportunities for both economic and tourist development. Since the municipality's industry isn't developed or intense, the environment is ecologically well preserved because there isn't a large source of potential great pollution. Institutionally local self-government is effective in a way that it covers health protection, primary education, and utility work. It is ensured that social protection and functionalities are protected. It is advisable to intensify actions on promoting the work zones even

though the prerequisites for attracting investors have already been established as well as for starting operations and entrepreneurship which are bound to result in a greater rate of employment. Cultural objects and ongoing events should follow the interests and needs of their inhabitants (cinematic projections, theater, concerts, exhibitions, book promotions).

The importance of local economic development is recognized by the local government, and it is being worked on through:

- the development of small and midsize enterprises,
- the development of villages and agriculture,
- the development of tourism,
- attracting direct investors,
- improving the quality of life for its residents.

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