

# NEW POLISH REGIONS IN THE PROCESS OF THE EUROPEAN SPATIAL DEVELOPMENT

Maciej Borsa

## Origin of the administrative reform in Poland

The present and future role of Polish regions in the enlargement of the European space has been determined greatly by their place in the structure of the unitary state. This being conditioned, to a large degree, by political changes that took place in the last decade as well as by a specific historical tradition. Reaching deep into the tradition, one should notice that the Polish regions have not been politically self-dependent for several hundred years, and building a unitary state by means of limiting sovereignty of regions is commonly perceived as one of the biggest political successes of the Polish medieval rulers. The military defeats suffered by the Polish kingdom later on usually led to territorial divisions, whereas victories meant, in the main, the labour of a merging process. This happened also in 1918, when – after 120 years – a homogenous state, previously divided between three empires, was being restored to life. A similar process was launched in 1945 that resulted from shifting of a national border by several hundred kilometres. People, forced to leave their homeland in the East, populated new, western territories a thousand kilometres faraway from their homes.

Thus, after 1945, a quite thorough ethnic and cultural mixing of people took place. As a result, a tradition of thinking rather in national categories than stressing regional identity was being maintained for many years. Of course, an internal administrative division of the state existed, but neither tradition, nor political situation made subjectivity of the territorial units possible.

In 1952, Poland was divided into 17 provinces (*województwo*), 5 provincial capitals (towns separated from the provinces), several hundred districts (*powiat*), and anywhere from ten to twenty thousand groups of settlements (*gromada*). Basically, the division was congruent with the tradition, modes of administration operating and settlement pattern.

In 1972, the process of transforming the structure was launched. As a first stage of the process, basic territorial units (*gromady*) were combined to create bigger, self-dependent – in terms of economy and administration – communes (*gmina*). Obviously, the extent of the self-dependency was limited by the political system in force. An average commune had around 100 square kilometres of land inhabited by more than 10 thousand people. The boundaries between communes, with only slight changes, have been valid ever since 1972.

The second stage of the transformations in the administrative division structure took place in 1975. Two administrative levels – districts and provinces were replaced by one, still called province (*region-województwo*). The number of provinces increased from 17 up to 49, and a two-level administrative structure was introduced instead of the three-level one. The system was preserved by 1989, when Tadeusz Mazowiecki, as the first non-communist prime minister in the “eastern bloc”, took over his office.

The government has been determined to push forward fundamental changes in the political and financial structure of the state in an unprecedentedly short time. This is because of the awareness that public administration reform needs to go hand in hand with the economic transformation of Poland.

The public administration reform has been supported by a wide spectrum of people aware of the necessity of introducing administrative changes and systemic transformation of the state, alongside economic and political reform. The beginning of their work dates from as early as 1981.

In 1990 local self-government at the commune level was introduced. This marked the first phase of public administration reform, which proved to be a great success.

A heated political discussion about further stages of the reform, concerning the regional level, was started soon. Even though councils of representatives of communes (*sejmik*) acted in each of 49 provinces, their competencies were rather small. *Voivode*, who represented the national government in the province, remained the main disposer of the financial means for the province development. The discussion concerned both competencies of the remaining regional self-government authorities and desirable number of regions (as a result – number of administrative levels). The idea of reintroduction of the three-level system and traditional in Poland district (*powiat*) has more adherents. Those who opted for the two-level division pointed that the present development of means of communication and services enabled normal operating of the state without the third level. When the concept of the three-level administrative division became prevailing, the debate focused on the number of new provinces. Various proposals, ranging from 8 to 35 regions were presented. At the very last stage of the debate, the division into 12 provinces seemed to be very probable, however – as a result of political bargains – finally 16 regions were established.



Starting on January 1, 1999, the province councils (*Sejmiks*) become responsible for the development and implementation of regional economic policies. They have, like districts and communes, independent legal identities with independent budgets. As a result, the reforms have brought about a significant decentralization of both public authority and public finance. Moreover, a new system of public finance makes the budgets of all public administration entities more transparent and accountable to the electorate.

These reforms increase citizens' ability to control and monitor public institutions, and to ensure that public moneys are spent effectively. By decentralizing responsibilities, the central government relieves itself of performing local tasks that it performed poorly, while allowing itself to focus on truly strategic issues. The reforms should also allow Poles and Poland to take a full part in the economic and political opening of Europe, and in the development of European and Euro-Atlantic security structures. They will help the Polish state secure its place in the arena of international politics as a fully sovereign, resourceful, and responsible partner.

The principles underlying Poland's administrative reform reflect the core values shared by the nation states of the European continent. These values continue to define the practices of international co-operation in Euro-Atlantic community of states. These are also the principles that the European Union considers necessary for the development of its Member States:

- Civil society,
- Subsidiary,
- Effectiveness,
- Transparency, openness and accountability.

The self-governing district, together with the existing self-governing commune, allows citizens to shape and control the local public institutions and policies that are closest to their daily lives.

The delegation of even more-substantial authority to local communities also makes it possible for non-governmental organisations to play a greater role in the realization of public services and in the enrichment of civil society. Local governments are able to entrust public functions to non-profit organisations and, where appropriate, private entrepreneurs.

An important element in the construction of civil society, for the first time in Poland's history, is the introduction of politically elected bodies at regional level. Members of regional governments (province *Sejmiks*) constituted through popular elections are responsible for creating and implementing regional development strategies that reflect the shared goals of the regional (province) community. All social partners are to be involved in the elaboration of such strate-

gies, including district and commune authorities as well as non-governmental organisations.

Through decentralisation many of the responsibilities of the national state are assigned to local and regional communities. This new assignment of responsibilities removes the national government from the day-to-day operation of broad areas of public administration and development. Local and regional governments are not

subordinated to the central government and operate freely and independently, subject only to the state's legal review. Democratically elected representatives at the commune, powiat and province levels are fully responsible for the functions that have been transferred to them.

Through deconcentration, the national government also places other responsibilities in the hands of its territorial representatives at the province level, or delegates them to commune, district, or province self-governing bodies so that functions which still belong within the purview of the national state can nonetheless be carried out more effectively by governments closer to the citizenry.

One of the basic premises of the reform is that the transparency and openness of public decisions must be improved. This means eliminating unclear and complicated administrative procedures at various levels of government, streamlining administrative structures, radically reforming the system of public finance, and above all, delegating new powers to democratically elected local and regional authorities. These authorities are accountable to their electors who, by this, have a greater say in shaping their day-to-day economic and social existence.

The success of contemporary states depends on their ability to respond rapidly to changing internal and external conditions. The systemic reforms have been designed to improve significantly the flexibility and responsiveness of public authority by placing more power and control in the hands of local and regional communities. This ensures the better realization of diverse public interests, while also allowing Poland to better adjust to a dynamic international environment.

### Competencies of particular administrative levels in Poland

Commune level self-governments were restored in 1990. In line with the principles of subsidiarity and deconcentration, communes form the basic and most important level of public administration.

There are 2.489 communes in Poland. Their democratically elected councils name management boards that constitute their executive powers. Rural com-

munes are headed by voits, rural communes with townships and urban communes by mayors, and presidents govern large cities. An average Polish commune has 10–15 thousand inhabitants: rural communes averaging 3 thousand inhabitants and the largest urban communes having populations of several hundred thousand inhabitants.

A general responsibility clause provides that communes are responsible for all public matters of (local significance that have not been reserved by law for other entities and authorities. Communes' own tasks focus on meeting the collective needs of communities for public services. In particular, communes are responsible for

- Land management and planning, zoning and local environmental protection;
- Local roads, bridges, streets and squares;
- Water mains, sewage system, municipal sewage disposal and treatment; – maintenance of cleanliness and order, as well as of landfills and solid waste disposal;
- Electricity and heat supply; – local public transport;
- Primary health care services; – municipal housing;
- Education (kindergartens, elementary schools); – promotion of culture and sport;
- Public markets and fairs;
- Public order and fire protection; – social welfare;
- Maintenance of commune buildings and public facilities, as well as administrative buildings.

Communes also perform tasks delegated to them by the central government and state administration and which remain under state supervision. These responsibilities may be placed on communes by law or through voluntary agreements with state agencies. Law of the funds necessary to carry out these delegated tasks assures communes.

Districts constitute the second tier of local self-government. There are 308 districts and 65 urban communes (larger towns) endowed with district rights by assuming district functions, district infrastructure, and district budget authority).

The district self-government is responsible for local issues, which, due to the subsidiarity and proportionality principles, cannot be ascribed to communes. Districts are large enough to maintain efficiently many of the everyday institutions of public life, such as secondary schools, general hospitals, as well as district police and fire stations, sanitary inspectorates and tax offices. And they are small enough – on average 80–100 thousand inhabitants – to place the

administration and the control over these institutions in the hands of the citizens that they serve.

Unlike the commune, which is responsible for all matters that have not been explicitly assigned to the other levels of government, the district implements only those tasks that have been clearly defined for it in the law. Thus, there is no dependence between the district and the commune: each of them executes separately defined public tasks and responsibilities.

However, it is necessary to point out that the role of *district* in the new Polish administrative system is pretty limited. This suggests that those, who were against creating this level, might have been right. On the other hand, the weakness of the level stems, in a way, from the strength of the competencies granted to the regional level.

The sixteen new provinces are quite large, with populations ranging between approximately 1 and 5 million, and an average population of approximately 2,4 million. Democratic province self-governments have independent legal identities, own budgets and extensive powers in the area of economic policy.

Councils known as *Sejmiks* (regional parliaments) are the decision-making bodies of province self-governments. They are elected in general elections. The *Sejmiks*, in turn, elect governing Boards to exercise the executive authority in self-governing provinces. The elected Marshals head boards.

Province self-governments are responsible for the regional development policy programmes whose primary purpose is to ensure that the country's human and material capital is put to best use. Experience has shown that these policies cannot be designed exclusively by the central government nor can they be the responsibility of local self-governments, whose primary scope of activity is the delivery of direct public services.

The functions of province (regional) self-governments focus on regional development. They formulate and implement development strategies for their territory. The tasks of province self-governments with respect to promoting regional development are concentrated in three major areas:

- Economic development, including also international economic relations and regional promotion (stimulating business activities, improving the Competitiveness and the innovativeness of regions);
- Some regional public services, such as higher education, specialized health; Services, and supra-local cultural activities;
- Sustainable development, especially the preservation and rational utilisation of; The cultural and natural environment, including land use and land planning.

Regional development tasks are to be subject to so-called 'regional agreements' contracted between the central government and regional authorities.

Following this pattern, European Union Structural Funds will be transferred to, and managed by, regional governments. While retaining the unitary character of the state and the uniformity of its foreign policy, Polish regions are also able to enter into bilateral and multi-lateral co-operation with foreign partners. Therefore, Polish regions can become one of the leading forces in the process of Poland's integration with the European Union in the near future.

Self-governing provinces perform mainly developmental functions; promote growth rather than render services; and play an economic rather than an administrative role. The range of public services performed by provinces is thus limited to those, which are clearly of a regional character and cannot be executed by either communes or districts.

Alongside the territorial self-government in communes, districts and provinces, the central government is represented in the province by the voivod. A state appointed voivod is responsible for ensuring that national policies are executed and enforced within the province, and that state institutions operating in the region perform their functions appropriately. This dual structure of public administration at the province level strengthens the Polish state and ensures the maintenance of its unitary character.

Owing to their responsibilities and powers as representatives of the Prime Minister, and in some cases, line ministers, the voivods are accountable to the central government and focus on the legal supervision of the activities of commune, district and province self-governments. The voivod can annul decisions made by self-governments, should they be inconsistent with the statutory law. Such an annulment may be sued in the Administrative Court by the interested local or regional government and then be subject to the court's decision. This division of power ensures cohesion between the actions of local and regional self-governments and the uniformity of key national policies.

The delegation of powers down to lower levels of self-government is accompanied by the decentralization of public finance to the same levels.

The Law on Revenues of Territorial Self Government Entities is the major legislative act that determines the nature of self-government bodies' revenues. The revenues of communes, districts and provinces consist of:

- Own revenues, understood as property taxes, shared personal and corporate income taxes, and other statutory incomes (fees and taxes) which may be utilized for any purpose;
- General subventions, although calculated for specific purposes such as education and roads, they may also be spent freely or carried over as surpluses from year to year;
- Specific, state budget, grants, given for a specific purpose, is granted for a given fiscal year: unutilised funds have to be returned to state budget.



Apart from these public sources of revenues, local entities are empowered to obtain revenues from private law sources (from the assets that they own). This mainly concerns communes, which are especially well equipped with ground, housing and commercial properties.

When adopting their budgets, the councils of local and regional self-governments are able to set aside funds for multi-year investment programmes. Each programme has to specify the name, objective and tasks of the programme; the organisational unit performing the programme or co-ordinating its implementation; the implementation period; the total investment expenses and the amount of expenditure in successive years of the programme.

The Law on Revenues of Territorial Self-government Entities for the Years 1999 and 2000 also envisages that in the implementation of long-term development programmes, including investment programmes, the province self-government, represented by the Marshal, will be able to enter into a regional agreement with central government.

### Differences between regions and the regional policy in Poland

Systemic reform in Poland is envisioned to go further than only reshaping the local and regional structures of public administration. As a result of the reform, the government will no longer have to administer or execute tasks of a local or regional character.

After the reform, the central state will be able to focus on the real tasks of modern democratic governance, such as international and global context and strategy; improving the overall rule of the law; and ensuring the nation's balanced development. The reform will in particular help the central government act as an efficient guarantor and enforcer of EU policies, as well as increase its reliability as a partner in bilateral relations.

The public administration reform, introduced on 1 January 1999, creates new challenges for regional policy and requires new instruments. The new challenges also result from the close perspective of Poland's ascension to the European Union. The Polish State must be well prepared to effectively use the sources of structural policy in order to activate its underdeveloped regions; restructure industrial regions in decline; and improve the competitiveness of the economy as a whole.

The key problem of the emerging regional policy is the respect of the autonomy of the new provinces in carrying out the development programmes of the central government. The basic principles of the legislation being prepared are based on the subsidiarity principle and allow for the realization of only those

national regional development programmes which has been agreed on with the province authorities. As a result, the province authorities shall be responsible for the execution of the regional agreement contracted with the central government and for the administration of most of the financial resources devoted to the realization of the national government's regional policy goals.

The new legislation in the area of regional development policy should also allow Polish administration to prepare coherent strategies and plans within the deadlines set by the European Union. Therefore, it shall allow Poland efficiently participate in the system of European structural and regional policy, with the application of a mixed model of mutual co-operation of central and regional governments. In this model the roles of the central and regional governments are balanced with respect to designing programmes. Regional governments, however, will be primarily responsible for their implementation, with the central government monitoring and controlling overall programme performance.

The hitherto existing, after 1989, Polish regional policy was characterized mainly by:

- Excessive centralism;
- Severe insufficiency of means, accompanied by lack of efficient mechanisms to combine them;
- Excess of objectives, expressed in the programmatic government documents;
- Predominance of emergency actions (unemployment);
- Lack of co-ordination.

After regional subject was created, as a result of reforms that were based on decentralization of the state functions and public means disposal, the responsibility for the regional development might be taken also on the regional level. This means that the “centre” conducts regional policy, and is one of the partners in the process of its implementation, other partners being territorial self-governments, economic and social subjects and trans-national institutions.

As a result, the regional development policy will appear on two “autonomic” in terms of competence, though complementary, levels:

- *National* – as a policy of the central government, dealing with solving transregional problems and including Poland in the spatial and regional European development. A specific kind of policy on the national level is regional policy seeking to overcome historically conditioned civilization backwardness and to support restructuring zones and nodes of national importance;

- *Regional* – as a policy of the development of regions, taking up comprehensive solutions to priority problems, from the point of view of regional self-governments. The priority tasks are identified for particular stages of the restructuring and development process on their own responsibility and on the ground of means at their disposal.

The “two-ply” shape of the regional policy brings about the necessity to secure law and institutional structures, programming system and procedures, monitoring and financial means, separately for each of the levels that could enable solving the regional problems in accordance with the principle of subsidiarity and interrelations of both levels.

The Government Centre for Strategic Studies is preparing *National Development Strategy*. It consists of several documents, assumptions of the *National Strategy for Social and Economic Development by 2015* being the basic strategic document for the long-term social and economic development of the country. (In order to secure complexity of the works on the National Development Strategy, this fundamental, framework document is accompanied by: *The Strategy for Regional Development of the Country* and *The Conception of the National Spatial Development Policy*.)

In the *National Strategy for Social and Economic Development by 2015*, the foundations of Polish economy and social development competitiveness in the European dimension have been determined. However, better competitiveness of the national system as a whole usually results in imbalances between particular parts of the country, which – to different extent – take part in creating of the competitiveness. Consequently, the process may lead to infringement of the national territory cohesion – in terms of economy, social development and infrastructure.

Therefore, it is necessary to have a suitable policy to equalize the development opportunities between different parts of the country. The basic method to pursue the objective is creation of *mechanisms for diffusion* of desirable phenomena and processes from the leading regions to the regions lagging behind. If the mechanism do not work, it may be necessary to give the underdeveloped regions a direct support in order to level their development.

On the other hand, certain elements of the development potential of the country stem from the differentiated spatial characteristics of individual regions. Thus, if the construction of the national strategy for social and economic development is to be appropriate, potential of the regions must be recognized first.

The principles of the regional policy of the Polish government are included in the long-term *Strategy for Regional Development*. The achievement of the following objectives is based on it:

- To preserve territorial cohesion of the country;
- To identify foundations of mechanisms for diffusion of development potential from the areas privileged in the transformation process to the weaker parts of the country;
- To indicate areas (regions) lagging behind and requiring an active policy to enhance their development;
- To determine development potential of individual regions against a background of the whole country.

Guidelines for the spatial decisions included in the *Conception of the National Spatial Development Policy* are also identified in the document, while the *Conception* provides a basis for determining social and economic potential of the regions, as well as for identifying limitations for their development.

In front of many years of stagnation and present aspirations of Poland to participate fully in economic and social structures of Western Europe, it is quite obvious that the *development gap* between Poland and the advanced market economy countries must be decreased. At present, GDP per capita (expressed in PPP) in Poland equals to 30% of an average in EU member countries. It is lower than GDP of any other accession country. In the poorest of the EU member countries GDP is twice as high, whereas in the richest ones it is fivefold. The necessity to make the development gap smaller is connected with the imperative of *dinamisation of economic development* and improving international competitiveness of Poland.

One of the essential conditions to cope with the task is to take capital not only of macroeconomic factors and possibilities, but also of regional factors, such as predispositions, resources and opportunities. One of the predispositions is vicinity to major European centres. Poland is among the countries that are closest to the most important capitals and actual centres of development of our continent. As a matter of fact, it is closest to the centres than many of the EU members – to mention only Scandinavian countries or South European ones.

Still, it is necessary to take advantage of the specific geopolitical situation of Poland connected with a new political order and formation of new economic linkages. The position of Poland gives a chance for improving competitiveness of the Polish social and economic space as well as active participation in shaping new European “spatial order”. It is also a challenge for Poland to join the process of trans-European formation of the infrastructure networks, including communication networks, in both directions: East-West and North-South. It also gives an incentive to further development of *trans-border co-operation*, which takes different forms and intensity on each of Polish national borders.

Another indisputable necessity for Poland is to meet the global civilization challenge connected with *natural environment improvement*. This is also an

important element of regional development, provided equal standards and European norms refer to all regions, irrespective of the level of their development.

At present, *regional differences* in the level of economic development are relatively small. However, they tend to increase along with the growing role of market mechanisms in economy and the reduction of the role of the state as an investor. Differences in the level of economic development and the quality of life between the capital and other major cities, smaller centres, towns and rural areas within particular regions are more significant than differences between regions. It is a necessity of strategic importance to level the disproportions within regions. Especially, smaller centres should be supported in connection with the unavoidable restructuring of the rural areas.

In 1990s, differentiation of the regional development level became a fast paced process, resulting from the atrophy of the mechanisms that had shaped the former regional structure of Poland. On one hand, this is connected with the better situation of the regions around biggest agglomerations with well-developed economic structure and high level of services; on the other – with worsen situation in the regions where the state agricultural enterprises and war industry prevailed, as well as in the regions where poverty was historically determined, lacking bigger towns and with underdeveloped non-agricultural branches. GDP per head is highest in the metropolitan regions, particularly around Warsaw, Poznan, Krakow, and Gdansk. The cities play a leading role in the process of transformation. GDP is lowest in the agricultural regions in eastern and central part of the country.

Regional differences in the GDP per head level do not reflect all of the important aspects of the regional differentiations in Poland. This criterion does not expose regions in need of *thorough restructuring* due to dominance of decadent economic structures, which cannot be effective in the new economic system and should be replaced by structures capable of reaching sustainable profitability.

The GDP level by regions (*województwo*) does not also reflect another extremely significant aspect of the increase in intraregional differences – the differences between the economic development level and quality of life in the capital and major centres and in smaller centres, as well as between these last and rural areas within particular regions.

In the new geopolitical situation in Europe, Poland – free of conflicts with its neighbours, open to the world and Europe – may become an important link integrating the European space in this part of the continent. This specific geographical and economic position of Poland may be a stimulating factor in the process of social and economic development. Poland is situated on the border and is of transit character, lying between two large structures: the European

Union and the group of states created after the Soviet Union ceased to exist. Also in the direction North-South playing the role of a bridge may turn out to be important for the development of Poland since the country is in point of junction of two newly emerging areas: the Baltic and south-eastern (Danubian countries and Balkans) ones.

The role of a bridge played by the Polish space in this part of Europe has been confirmed by numerous initiatives in trans-border and cross-border co-operation. On the local level, this co-operation takes organisational form of Euroregions.

One can agree that the Polish structural transformation, which accelerated integration of the country with the European Union, at the same time, opened the shortest way to the civilization of the 21st century. Poland may also expect that the pro-ecological development strategies, adopted in the EU member countries will be applied to new members as well.

Disparities in the regional structure of the country and the menace that they may never perish resulted in adopting the *strategy for development balancing* as a crucial principle of the regional policy of the state. The strategy shows a general direction of the regional policy of the state, i.e. preparing conducive conditions to dissemination of the activating impact of nodes, niches, strands and spheres of activity, initiatives and innovations created owing to market economy mechanisms. The state policy should stimulate development of such structures and diffusion mechanisms in the whole country as well as it should lead to gradual forming of the balance links, in accordance with spatial, social and economic determinants.

It is a part of the tradition of the Polish *spatial planning system* to prepare the conception of development for the area of great regions and for the country as a whole. The tradition was prior to the central economic management and was implemented even before the World War II. Based on the plans prepared in the scales, many daring projects were realized in the period of the II Polish Republic. During the Stalinism era, the ideas of planning in great scales were deformed and red-taped. The transformation period in 1990s required another type of planning on the national level. At present, it seems that such a model should be based on the concepts already implemented in the EU with a special stress on the *subjectivity of regions and co-ordinating function of the state*.

At the beginning of 1999, as a result of the second stage of the administrative reform, 16 regions capable of independent forming their development policy were created in Poland. From the national point of view, it is indispensable to direct the different policies in a way that would enable realization of the adopted national strategy for regional development. The main strategic objective of development of each individual region must take into consideration what

is valuable for the local community, what is the place of a given region in its surrounding, and how to shape its specificity.

This means that the strategic purpose should meet expectations of the citizens as well as various subjects existing in a region, while – at the same time – taking into account the necessity to create linkages with neighbouring regions, the whole country and international structures.

At present, more detailed strategies for the development of particular regions are being prepared. The process is accompanied by numerous discussions within the new governing bodies of the administrative units. Similarly, principles of the state regional policy are being discussed. Irrespective of the results of the debate, one thing is quite clear – reinforcement of the connections of Poland with other countries of the continent, especially including its territory into the space of the European Union, is the source and the aim of the transformations.

## References

- Borsa, M. (ed.) 1999: *Założenia strategii rozwoju regionalnego kraju.* Warszawa Rządowe Centrum Studiów Strategicznych.
- Effectiveness, Openness, and Subsidiarity. – A New Poland for New Challenges, 1998. Warsaw, Chancellery of the Prime Minister of the Republic of Poland.