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Bolesław Winiarski

REGIONAL POLICY
AND THE ADMINISTRATIVE
TERRITORIAL STRUCTURE
OF POLAND¹

I

Every country's territory contains a variety of natural and socio-economic conditions of the regions which play a vital role in the national economy and the life of its population; therefore, there are different living conditions and earning potentialities and chances of professional advancement in different regions. The public authorities intervene in a variety of ways into the regional development by stimulating business enterprises, easing or restricting the movement of production elements as well as acting directly in the form of public investment.

Regional policy, i.e. the way in which a country's authorities influence the development and functions of its regions, began in its modern form in the pre-war period. However, initially it formed only a part of most countries internal policies. At present its character is undergoing changes to become more and more a sphere of international cooperation, its profile and importance rising.

The European Charter of Regional Development (Conférence... 1983) (established in May 1983 by ministers representing the countries of the Council of Europe) defined the aims of regional policy in the European scale as:

- a) securing a balanced social and economic development of all the European regions,
- b) increasing the standard of living of the population,

¹ This paper was published firstly in: Prace Naukowe AE [RW of WAE] 1993, No 661.

- c) the rational use of natural resources and protecting the environment,
- d) the rational use of territory.

After the signing of the Charter, the governments of the west European countries began collaborating intensively in the shaping of regional policy – in preparation there is a plan of European regional development. Work is also in progress on coordinating the development of the designated 46 border regions. Poland, as a part of the Council of Europe, becomes part of these activities.

II

Diagnosis of the development and state of the economy of Poland shows a variety of problems. There are regions which are more or less developed, there are depressed ones, those where development is consistent and those where there are difficulties. There are some where ecology is under threat, and those which have structural unemployment.

The territorial structure of Poland resembles a triangle, in which there is a concentration of population and economic activities. At its top there is an agglomeration of the three towns Gdańsk–Gdynia–Sopot, and the southern Polish border forms the base. Outside this triangle there are other areas of importance such as the insular agglomeration of Szczecin in the north-west and the cities of Białystok and Lublin in the east of Poland. The southern belt regions present various territorial conflicts: industrial over-investment, threats to the ecological balance and too many demands on the infrastructure. In a particularly difficult position is the Sudety province, where, apart from the destruction of the environment and the advanced depletion of local resources, there is also the necessity of closing down the Wałbrzych coal district and the general restructuring of its economy. The western regions of Poland are now the direct neighbours of the area of the integrated Common Market. Due to the enormous capital investment by the German government put into stimulating and reconstructing the eastern 'lands' of the now unified Germany², the purpose of which is to overcome the disadvantages of their previous development under the East German regime, the western border of Poland could become a line dividing two territories belonging to different civilizations. There are also rapid changes in the situation in the eastern regions of Poland related to the changes in the ex-USSR territory.

There remains no doubt that solving such great problems goes outside the possibilities of the market mechanism. Experience shows that it is necessary for

² It is expected that the assistance, not only financial but also through technology, organization, and manpower transfer, will increase in the future. The amount given for 1991 does not include aid given to towns and communes in the eastern parts by their western counterparts (*Assistance...* 1991, 1).

the state to get actively involved alongside all the relevant public bodies, local and regional, to work on the development of particular regions.

III

Although the initiatives of actions by public bodies in the area of regional development are usually brought out by the regional organizations themselves, modern regional policy is a sphere of close cooperation between the authorities and self-government organizations, and central, regional and local institutions.

From that standpoint, the administrative territorial division of the country is of fundamental importance as it defines the number of levels of public institutions which in turn affect the state of regional economy and hierarchical relations as well as territorial range of influence of particular organizations. The existing political system in every country also determines the nature of those public bodies influencing the local and regional economy, their role, form, and ways of influencing economic matters.

The shape of the administrative division of the country also defines the degree of coherence between the territorial layout of the structure of government administration and self-governing organizations, and regionalization based on economic and regional criteria. It is naturally desirable for them to be completely cohesive, nevertheless the final choice in the administrative division is also influenced by other factors; for example of a historical, ethnic or political nature. The fundamental problem lies in the nature of the political system of the country. For instance, in countries based on the federalist principle – where the regions enjoy their own political power structure, both executive and legislative – there naturally exists a more developed structure of regional policy subjects.

There also arises the complex issue which relates to the division of functions in the economic policy between the federal organs and those of the participating countries as well as those connected with the degree of 'closing' the countries economy in the sphere of the flow of capital from the producers and encouraging development. Regions which are better developed naturally want to retain growing resources for their own disposal; the weaker ones demand support from the stronger members of the federation, relating with that support the issue of continuing within the federation. Great importance lies also in the political system related to the property structure of the economy. The higher the level of the participation of the state sector, the more direct responsibility for the state and development of the regions' economy stays with the state and self-governing authorities. State-owned enterprises and public institutions are, or can be, the source of financing development in the regions and such activities which do not attract private entrepreneurs. In such cases it is important whether the capital invested in such public ventures comes from the state treasury or that of the

regional self-government, and also to what degree the public ventures (remaining under the control of the regional self-government) are able to finance their current expenditure and capital investment. The geographical situation of the enterprises and public institutions belonging to the self-government sector determines the possibilities of securing the necessary income for the self-governing bodies, and with it their own independence from the central authorities and the state budget. Making changes in the administrative division should be influenced by that issue, particularly as controlling the functioning and development of the public sector (the major part of which form the network of public utilities) constitutes one of the fundamental roles of the area's self-governing organs.

The division of functions between the central authorities and regional and local organs as far as the influence on the economy is concerned, depends of course on the territorial range of the services rendered by the economic subjects. Those who function in the sphere of infrastructure are usually limited by their area being dependent on infrastructural elements which means that using their services is possible mostly only in places where they are produced, and because of that, control over them usually falls on local institutions. Where the range of such implements and their products is wider, they can be controlled by the regional authorities or an association of local organs. Eventually there surfaces a network of centres and areas of activities of the organs and economic subjects constituting the territorial and economical structure of the regional economy. The administrative division should be based on the structure and its conditions.

In the influencing of territorial structure and its development and through it in the planning and implementation of regional policy, there emerge, evolving in time, certain rules in the division of functions. For example, in pre-war United States the fundamental operations in the process of regional development undertaken by the central administration, were concerned mostly with realizing major development programmes in the regions lagging behind and economically depressed. In the 1930's an example of such a project was the Tennessee Valley Authority (Cumberland 1971). The main effort of regional policy remained with the state and local authorities. In the 1960's however, the federal authorities began playing a bigger role. Creation of the Area Development Administration within the federal authorities and throughout the country, established, based on the uniform criteria, 1061 territorial units requiring state assistance (that is approximately one third of their total number); there were also great development programmes of the macroregions such as the Appalachians and Alaska (Cumberland 1971, 82, 92, 122). At the end of the 1970's particular decentralization of the regional policy in the USA was dictated, among other reasons, by the influence of the neo-liberal Reagan administration. Nowadays the state authorities have regained their fundamental position (Szlachta 1990, 14, 83-87).

A similar situation exists in the Federal Republic of Germany, where the

main subjects affecting the development of regions are the governments of particular countries (*Länder*). In that respect, changes took place during 1990/91 when, owing to the need to accelerate the development of what was East Germany to bring them up to the level of the rest of Germany, the main burden of providing investment fell upon the federal government which gave unprecedented amounts of financial aid for the eastern 'lands' and initiated there a large amount of development – especially concerning the infrastructure. The federal government also programmes and coordinates the entire regional policy of the state. Its direction was to determine in a defined way – to accelerate the development of eastern parts of the country, leading to the levelling out of imbalances in their economies. The German government also used assistance from the Fund for Regional Development provided by the EU. However, the interests of German regional politics go beyond state boundaries. Its expression was given by, for example, the so-called Stolpe Plan, which was connected with the development programme of the Polish western districts, and the concept of a so-called European Neisse region containing besides Saxony, parts of the Jelenia Góra province and areas of the northern Czech republic. Such initiatives come from certain 'land' authorities, in particular those of Brandenburg – but there is also noticeable involvement from the federal authorities.

IV

One can assume that it was the inspiration of the example of the German solution which led to suggestions, coming from circles of liberal activists in Poland at the beginning of 1991, of a new concept of the administrative division of our country into big territorial units (provinces) enjoying autonomy and their own legislative and executive organs. That idea involved not only changes to the administrative division, i.e. the creation of a smaller number of administrative regions from the present 49, but also a fundamental change in the Polish political system – that is, changing into the federal structure. In a certain way that concept was related to the idea of a 'Europe of Regions' and not that of states, which was popular in certain western circles, mainly German; such a Europe should rise above the present national divisions (at least in the majority of countries). That idea appeared during the Second World War (Krzemiński 1991, 7) and enjoys German support. It is said that the regionalization of Europe is a route towards its unification and the replacement of the economic policy of particular states by a regional policy on a European scale would be one of the conditions of general prosperity.

As we know, the concept of dividing Poland into 'lands' was met by doubts and strong criticism from many experts in the fields of economy and geography (Eberhardt 1991). I think that this criticism is fully justified. The idea of fol-

lowing the German model does not take under consideration the fundamental differences in the historical shaping-up of the territorial divisional structure in Poland and Germany, and the fact that – unlike Germany – Poland has not got a tradition of a federalist structure. Only during short periods of time did the German state function as a unified entity, and one can add, during that time it did not benefit its neighbours. The division of Poland into provinces introduced by King Boleslaw Krzywousty in 1138 created difficulties for a few centuries, especially after losing Silesia and Pomerania. Polish political thought embraced integration in preference to the division of the country. First, there was the unification of the Crown with Lithuania, and later, after Poland's partitions, in the 18th century and the restitution of Polish State in 1918, the aim was to unite into one state all the regions and provinces which remained parts of foreign empires for over one hundred years. After the Second World War there emerged the problem of the integration of Polish territory within the new (moved westward) boundaries, bearing in mind the loss of her eastern provinces and a quarter of the state territory despite being – formally at least – on the winning side. I think that enforcing the unified character of Poland is of paramount importance. It would not be sensible to try to divide Poland into autonomous regions.

Even for the sake of a purely pragmatic argument, giving powers of autonomy to parts of the country is not justified for any reasons in the case of Poland. Autonomy is a right to the independent determination of separate laws. The modern world, however, tends to standardize norms of law (commercial, civil, traffic, criminal etc.) and not to diversify them on the basis of territorial limits. The legal system of the EU countries gradually becomes standardized. Regional parliaments, therefore, would become somewhat decorative and an excuse for a greater number of politicians taking up posts. In certain cases those regional organs could harbour decentralizing activities, undesirable for the Polish state interests. One should support instead the continuation of the policy of the First and Second Republic, i.e. the integration of the country into one system with unified laws, administration and educational structure, and also material elements of social and economic infrastructure.

Therefore, one should reject the notion of autonomous regions and a federalist structure. The regional development of the country based on the principles of market economy does not require such a structure. On the contrary, its introduction could block and impede many aspects of regional and local economy.

V

Reservations about the concept of a federal state structure in Poland, based on economic factors, are connected with the risk of consolidating existing discrepancies in regional development. The autonomous regional authorities have

greater possibilities for realizing particular interests and the restriction of their inter-regional transfer of resources. The stronger bodies usually represent the view that means produced in their area should be invested there. The difficulties in such transfers can lead to a general increase in investment costs, thus blocking the integration in the economic process the resources and values of the weaker regions, and increasing the powers of inertia in the existing territorial structure of the country's development. We also have to remember that already the restructuring of the Polish economy system into a market economy substantially restricts the range of allocating resources and decisions from the state authorities. The localization of the majority of investments will be decided by individual entrepreneurs. Leaving certain possibilities of realization of the inter-regional development factors in the state's hands (in the public sector) and through the state budget, is necessary for a proper functioning of public services and infrastructure in the economically weaker regions as well as supporting full growth.

Although dismissing the idea of autonomous regions in Poland, we can support the development of regional self-government. Such government should be responsible for shaping the regional and local economy, without taking away the influence of the central authorities over the development, by granting necessary assistance to the poorer regions and those with especially complex socio-economic and ecological conditions. Dealing with such problems, for example the reconstruction of the economy due to the closure of the coal industry in the Wałbrzych region and stopping the environmental deterioration of Upper Silesia and many other industrial agglomerations, should not be left only in regional hands.

It seems that before the introduction of any serious changes to the country's administrative structure, it is necessary in the first place to tackle the scope of the local economy as a basis of functioning of the territorial self-government in both communes and towns. Local economy should constitute support in the realization of the tasks proper for the territorial self-government in those units. Within the existing territorial division it would be also possible to start creating a self-governing structure on the level above the local one. Such a structure should include the associations of fundamental units whose aims lie in solving and taking-up tasks in the range extending beyond the area of singular towns and communes, and also extending the powers of regional councils. Already they should be given powers to shape the regional economy – particularly in the sphere of territorial planning (consent to plans of regional development), and economic planning (programmes of development), also in the areas of environmental protection, the coordination of public services, whose activities are financed by the commune, employment strategies etc. It seems necessary to create executive organs for territorial self-government on a provincial level. These functions could be taken up by the voivode offices. Assuming such development

there should be introduced a coherent policy of the privatization in the national economy. Privatizing of the public sector should be approached with caution. Such units, apart from those of national importance, should constitute the basis of a commune's assets remaining in the hands of territorial self-government. Radical privatization of the economy gives only one direction to the changes in the ownership of assets; narrowing the scope of communal sector amounts also to a greatly diminishing role of the regional government which undermines its *raison d'être*.

VI

However, the reconstruction of the administrative division in Poland should not be postponed indefinitely. There should be introduced a clear order for the function of regional government and administrative organs. Maintaining the present large number of provinces which do not correspond in their size and boundaries with the system of basic economic regions hinders the organization and functioning of local and regional economies. The institution of administrative districts suggests a clear acceptance of the ineffectiveness of the two-level system, but that acceptance lacks consequence, is incomplete and expensive. With the present number of provinces (49) and districts (approximately 250), each province contains an average of only 5 districts. It is necessary to go back to the three-level system but sorting out the whole structure of division, which means returning to administrative districts (*powiat*) and decreasing the number of provinces (*województwo*). The centres of the new provinces should be in easily nominated towns with universally developed socio-economic structures and service areas. Studies show the existence of several such centres in Poland. The lowest number is 12 towns which could become regional centres and the highest number is 18, some experts even claim 25. The pragmatic approach suggests the simplest and easiest, as it seems, solution is of returning to the 17 provinces that existed before 1975. Such a reduction in their number is only possible with the simultaneous return to the three-level system, i.e. by reinstating administrative districts (*powiat*). Remaining with the two-level system means also retaining the present number of provinces, many of which are small in size and incompatible with the economic and geographical criteria of division.

I think that the changes in the administrative division should be taken into a broad perspective, combining the concept of changes in those areas with the aim of developing the system of local self-government in Poland and also accepting certain models of solutions for relations between sectors of the economy in the new system of ownership. If we accept the more developed structures of regional government, we should also see to equipping them with a suitable

economic role, i.e. ensuring the existence of a relatively prominent communal sector, containing the means of social and economic-technical infrastructure with the regional range and also a certain number of small and medium works and enterprises supplying necessary income to the self-governing unit in communes, towns, administrative districts and in part to provinces. Privatization notwithstanding, changes in system of ownership in Poland should be conducted from the point of communalization.

In every approach, the starting point should be the sorting out of economic problems, the role and range of the communal sector in towns and communes ensuring that the local government units have sources of their own income sufficient for their task range. Next, there should be decided the number of levels in the administrative division. In the three-level system the next move would be towards stabilizing territorial relations between the units of the local economy in towns and communes, and then joining them into administrative districts (powiat), where there should be created organs of regional self-government. Finally, there could be established a number of prospective provinces and a reduction of their number. With the acceptance of the two-level system, the problems can be limited to correcting the number of provinces and their boundaries (while leaving their number at the present level) and in them forming the organs of territorial self-government. Perhaps acceptance of the latter solution will be forced by shortages of the means necessary to conduct a reform more radical in character.

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