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# The prospect of regional development on the example of the Silesian voivodeship

Abstract: The prospect of regional developmenton the example of the Silesian voivodeship Regional policy which has been aimed at the central level since the beginning of accession negotiations with the European Union, did not develop beneficially for particular regions. Together with Poland's accession into the EU structures, the whole situation has been even more exacerbated. Although the accession facilitated the regions the participation in the instruments of regional policy (structural), the growth of their meaning in both national and international policy did not take place. The results of the EU regional policy are not unambiguously positive and satisfying, which is to a certain extent connected with the lack of procedures during their implementation and examples of waste and inefficiency at all levels. Above all, it concerns the shortage of strategic thinking about the region at the central and regional levels, as well as the lack of participation of regional elites and real public consultation in the process of industrial change.

### Introduction

Due to its history and character, as well as being left outside the Polish borders for nearly 600 years Silesia has become a specific place. All those conditions have exerted an influence on local economic development, the shape of culture and customs. The urbanization of Silesia took place earlier than in the case of other regions, as it recognized the importance of industry. Its culture was influenced by other forces than those in the Republic of Poland. With the rapid development of industry in these lands, at the begin-

ning of the 20th century Silesia was an extremely rich region, and for mostly agricultural Poland it became a tidbit. Therefore, as a result of the division of Upper Silesia in 1922, a major part of heavy industry was within Polish borders. It increased the industrial assets of the Second Republic from 97.1 to 275 million PLN. After 1989, Silesia was exploited by predatory policy and thus became bothersome and costly. The problem of the future of the region was then reduced to the future of the mining industry, which practically meant a reduction of financing the transformation mainly to the sphere of mine closure and severance pay in mining. Restructuring, in social perception, associated with Silesia was a regional apocalypse. This in turn caused that the huge energy (hence also the financial resources, including the European Union), has focused on the acute mitigating, narrowly understood changes in the mining industry instead of forward-looking investment associated with the development of higher education. Even though the appeals of the scientific circles in Silesia, who recognized the importance of education in the process of changes in the region were very audible. Today, the scientific potential of Silesia is so large that the success should develop new methods of using that which has remained after the departing industry and addressing the transfer of new technologies, even on the basis of technological parks.

## Integration with the European Union — Consequences for regions

Polish accession to the European Union fulfilled the hopes of Polish regions to contribute to the effects of the most characteristic forms of regional integration processes. It is based on the principle of co-financing and partnership from the central and regional authorities of the member states. The Union provides support for the steps taken in these countries and directs their activities for the harmonious integration for the benefit of the whole Union. Evaluation of the effects of regional policy is not entirely clear and positive. On the one hand, it shows an example of a significant leap forward, which was associated with the use of the funds allocated (not in small quantities) by the Union's regional policy. On the other, there are voices that the results of the regional policy are not satisfactory, mainly due to the inefficient and considerable waste of the funds. In the Polish regions, after the accession of Poland into the European Union, many areas have been transformed. In this context, administrative-territorial reform is important and, in consequence, there appeared many subjects obliged to follow the real regional policy. They

were equal partners for the European regions, which could make cross-border cooperation where accession takes place almost exclusively at the level of cities and municipalities. Polish regions have to change, as the ratio of the regional community to its own territory and already shaped economic, political, and social systems. There has been a shift of emphasis — the regional assets are treated more commercially, as a certain commodity that requires professional promotion.

The regions focused on tourism, farmhouses or regions looking for an opportunity to develop modern industries can serve as good examples. Tourist attractions — landscape, climate or landmarks are encouragements for the first few. Regional development strategy is mainly based on it. The human, scientific, cooperative potentials as well as readiness for innovation are the basis. The development path of Silesia, determined before entering the European Community, was not entirely consistent with the emerging EU's cohesion policy. Therefore, recorded in the National Strategy of Regional Development of March 2000, the structure of administrative and statistical division into sub-regions proved to be insufficient and in fact becoming less independent thanks to the Sub-regions' Programmes of Development seemed to be necessary. This idea was emphasized in following regional strategic documents, which has coincided with the division into units NUTS 3 (The Nomenclature of Territorial Units for Statistics) force since the end of 2007. Since 2008 the division into eight units has been introduced. Therefore, the central subregion currently consists of five distinct sub-regions, that is, Bytom, Gliwice, Katowice, Sosnowiec, and Tychy, where the main bonding factor is to be the Silesian agglomeration meaning EU-wide. Well-developed metropolitan functions should provide high competitiveness of the whole region in the scale of the whole country, and thus significant investment attractiveness. For the north sub-region, which is organized around Częstochowa, support for the development of entrepreneurship, tourism, and recreation have been provided. In turn, the southern sub-region, located on the border with the Czech Republic and Slovakia has significant landscape values used in tourism. The improvement of transport accessibility is to allow the development of small and medium-sized enterprises within the ecologically safe industry and services. Western sub-region has the most diversified economic structure, and the reduction in coal mining and the need to seek new solutions by supporting small and medium enterprises and improving communication thanks to A1 highway allows to increase economic activity in the valley of the Oder and to highlight the Cistercian Landscape Compositions. The most developed part

<sup>&</sup>lt;sup>1</sup> The characteristics of the various Sub-regions was developed, based on the Development Strategy of the Voivodeship of Silesia, Strategy Development of the Region of Silesia "Ślaskie 2020." Katowice 2010.

of the region is the central sub-region with a GDP *per capita* of 39,208 PLN.<sup>2</sup> Successive, south and west, are characterized by lower 6,000 GDP *per capita*. However, on a national scale, the differences within a single voivodeship do not seem to be so significant. In the initial period after the transformation of the system, when the Silesian region significantly lost pace and thus share in Polish GDP falling by 2% age points (to 2001) then, in subsequent years it has stabilized and there has been a leveling of growth within the region. However, despite more sustainable development between the sub-regions, the internal characteristics between them are much more complicated.<sup>3</sup> Being aware of the importance of historical boundaries for the observed contemporary economy it is worth looking at how heterogeneous an organism the Silesian voivodeship is.

Current Silesian voivodeship covers only the eastern part of the Upper Silesian lands, which constitute more than half of the voivodeship. These include, among others, Cieszyn Silesia, which definitely differs from other Upper Silesian lands. The second half of the voivodeship consists of lands such as The Żywiec Beskids, The Dabrowa Basin, Kraków-Częstochowa Upland, and Jaworzno areas — traditionally the city of Chełmno. Thus, although the primary factor in competitiveness and development of regional best-developed central region of the voivodeship should be considered rich deposits of natural resources, primarily coal, the diversity of which were caused by centuries-old political and civilization divisions. The region can be considered as competitive if it has the ability to attract capital and can create conditions to compete with the already existing companies located inside and outside the region. Although, over time, with the transition from economy based on natural resources to the so-called economy knowledge-intensive, the factors of competitiveness of regions have changed. The areas with historically formed higher level of development and prosperity, and thanks to the traditional competitive edge, it was easier to create significant advantages today. It is precisely in urban areas, where skilled labor, universities, environmental institutions, and supporting entrepreneurship are focused. Cities are better communicated and offer their residents a better quality of life. Questions are therefore asked whether the sub-regions are an appropriate level and the subject of comparative analyses of economic growth, regional development, and their causes.

<sup>&</sup>lt;sup>2</sup> Gross Domestic Product in the Silesian Voivodeship in Years 1995—2005. Katowice 2007.

<sup>&</sup>lt;sup>3</sup> Subregion Bytom has GDP Twice Lower than Nysa. Gross Domestic Product in the Silesian Voivodeship in Years 1995—2005. Katowice 2007.

## Regions in cohesion policy

Since 1988 NUTS classification has played an important role in the programming and monitoring programs financed from community sources as well as in comparative studies of regional development, thus in the preparation of reports to the European Commission on the socio-economic cohesion. The lack of clear frameworks shows the objective nature of NUTS. Since its inception has constantly been modified in the member states it has not carried the characteristics of a clear unified system.<sup>4</sup> This is due to the difference of the national administrative structures and historical territorial divisions, local governmental systems, and other factors. As a result of the preparatory work on improving the NUTS classification, in 20035 the Regulation of the European Parliament and the EU Council was issued. It introduced "A scheme of the statistics of territorial units NUTS-2003 for the EU-25."6 This meant that from May 1, 2004, with the entry into the EU, new member states were included in a general scheme. Only three levels of territorial division remained in the new system. The implementation of the following was left to the member states. As previously mentioned, the NUTS nomenclature and division into sub-regions primarily serves the programming and monitoring of regional development and implementation of effective regional policy. The concept of cohesion policy in the modern sense is not a simple continuation of the assumptions of previous years. The European Union was brought to new challenges that had to be taken into account in shaping the budget in the current financial perspective.

Widely understood legal system is the basis for the redistribution of funds from the EU budget, setting the framework for implementing cohesion

<sup>&</sup>lt;sup>4</sup> Rozporządzenie Komisji (EC) No 105/2007 of 1 February 2007 amending the annexes to Regulation (EC) No 1059/2003 on the establishment of a common classification of territorial units for statistics (NUTS) (Official Journal L 39, 10.2.2007); and Regulation (EC) No 176/2008 of the European Parliament and of the Council of 20 February 2008 amending Regulation (EC) No 1059/2003 on the establishment of a common classification of territorial units for statistics (NUTS) by reason of the accession of Bulgaria and Romania to the European Union (Official Journal L 061, 5 March 2008).

<sup>&</sup>lt;sup>5</sup> Rozporządzenie (EC) No 1059/2003 of the European Parliament and of the Council of 26 May 2003 on the establishment of a common classification of territorial units for statistics (NUTS) (Official Journal L 154, 21.6.2003).

<sup>&</sup>lt;sup>6</sup> Cf. Verordnung (EG) Nr 1059/200383 des Europaischen Parlaments und des Ratek vom 26. Mi 2003 Über die Sachffung einer gemeinsamen Klassifikation der Gebietsaeinheiten für die Statistik (NUTS). In: Regionen Systematik der Gebietseinheiten für die Statistik NUTS 2003/EU25, Eurostat/ Europaische Kommision, Amt für amtliche Veroffentlichungen der Europaischen Gemeinschaften, Luxemburg 2004, Angang 1 NUTS Verordnung, 127—129.

policy. It functions both at the level of the European Union as a whole and the individual member states. Its complexity results from the necessity of linking a specific system of standards of EU law with heterogeneous in this respect national laws. On the other hand, it works with the unspecified nature of the legal process of distribution of funds within individual countries.<sup>7</sup> It is assumed that the main element of cohesion policy is regional policy, and therefore the concept of cohesion (structural policy) and regional policy are often used interchangeably. As part of the state policy nationwide regional policy is conducted.8 The activities carried out in this field at the local government level can be described as intraregional policy. Regional one appears as a field of cooperation between central, regional, and local governments. It is defined as "the activity of recognition of public affairs, analyzing their causes and circumstances and impact on the socio-economic development of regions and the smaller territorial units within one country (the EU). It is on the basis of the developed plan [...] indicating objectives, measures, ways of achieving them, as well as the expected effects of changes." Regional policy, like any other type of policy, to be fully effective should be conducted by an entity with appropriate authority featuring instruments necessary for the proper functioning.

Despite the fact that the investments made in the framework of cohesion policy focused mainly on poorer regions to help them compensate more quickly for inequalities also have great importance for the competitiveness of all regions and the living conditions of their inhabitants. Regional policy instruments also tend to be interpreted in the context of the limitation of the performance of the free market. In this perspective, this policy is seen as a "typical interventionist policy, although its principles are integrated with the principles on which on competition policy is based." On the other hand, it is recognized that the projects co-financed from EU funds may become increasingly permanent feature, supporting economic and social development. The assumption that together with the increasing importance of the region as a specific economic entity, also increases its importance as a subject of national policies and EU policies and is becoming more popular. 12

 $<sup>^7</sup>$  T. Grabowski:  $\it Unia\ Europejska-mechanizmy\ integracji\ gospodarczej.$  Toruń2008,p. 182.

<sup>&</sup>lt;sup>8</sup> T. MADEJ. Regionalna polityka społeczno-gospodarcza. Szczecin 1998, pp. 17, 20.

<sup>&</sup>lt;sup>9</sup> M. Sakowicz: Modernizacja samorządu terytorialnego w procesie integracji Polski z Unią Europejską. Warszawa 2007, p. 63.

<sup>&</sup>lt;sup>10</sup> Polityka spójności po 2013 r. Pożądane kierunki reformy. Dokument problemowy. Warszawa 2008, p. 26.

<sup>&</sup>lt;sup>11</sup> Zarządzanie projektem europejskim. Red. M. Trocki, B. Grucza. Warszawa 2007, p. 9.

<sup>&</sup>lt;sup>12</sup> A. Huczek: *Polityka regionalna jako instrument rozwoju społeczno-gospodarczego polskich regionów.* "Wrocławskie Studia Erazmiańskie" 2009 Wrocław, p. 232; "Nierówności Społeczne a Wzrost Gospodarczy" 2010, nr 16, pp. 375—387.

The initial step in testing the level of regional development is to analyze the conditions of development of individual regions. It takes a direct link with the concept of regional effectiveness, which is defined as "a measure of the degree of rationality of the process of socio-economic development of the region" and is the most important feature of regional development. The criteria for extracting the region are complex and affect the process of its development. Among them we can find demographic, social, economic, ecological, specific, and external phenomena.<sup>13</sup> In the document "The position of the Polish Government concerning the future of cohesion policy after 2013" attention has been paid to the need of creating a better definition of indicators to measure regional development, which should include not only the economic aspect but, more importantly, supplementary indicators, taking into account the demographic factor, as well as social, educational, environmental and territorial.<sup>14</sup>

In the sphere of regional development it is reasonable to say that the references of the territorial entities were not directly completed after the reforms. The provincial government has remained the least equipped link in the structure of public finances up till now. Under these conditions the government formally comes under the exclusive competence to shape the development strategy of voivodeships. It was also reduced to the role of the customer applying for centrally accumulated and managed support measures. This is supported by full implementation of the law on the principles of promoting regional development, including the practical functioning of its basic instruments — support program and regional contracts. 15 Although decentralization of legal system was made, decentralization of the financial system was not, thus the provincial governments cannot carry out individual tax policy (they do not have any tax revenue). They hold shares in income taxes from the state budget, which is on average about 15% of their budgets. The rest, more than 85% comes from general and targeted subsidies transferred from the state budget.<sup>16</sup> This illustrates the scale of dependence of local voivodeship from central financing. The financing of the activities undertaken by the provincial government virtually incapacitate the level of local government is defined this way. Regional governments are becoming somewhat contractors of central authorities, who are performing specific tasks to gain funds for

<sup>&</sup>lt;sup>13</sup> T. MADEJ: Regionalna polityka społeczno-gospodarcza. Szczecin 1998, pp. 41—67.

<sup>&</sup>lt;sup>14</sup> Stanowisko Rządu Rzeczypospolitej Polskiej w sprawie przyszłości Polityki Spójności Unii Europejskiej po 2013 r. przyjęte w dniu 30 stycznia 2008 r. Warszawa 2008, p. 11.

<sup>&</sup>lt;sup>15</sup> Z. GILOWSKA: Pożądany mechanizm wykorzystania środków pomocowych Unii Europejskiej do wspierania rozwoju regionalnego. Lublin 2000.

<sup>&</sup>lt;sup>16</sup> T.G. GROSSE: Polityka regionalna Unii Europejskiej i jej wpływ na rozwój gospodarczy. Przykład Grecji, Włoch, Irlandii i wnioski dla Polski. Instytut Spraw Publicznych, Warszawa 2000, pp. 223—224

their functioning. Getting grants is not based on clear and transparent rules and is characterized by making discretionary decisions in the offices of the central government. No personal income and unfavorable conditions for the support of national authorities hinder the implementation of long-term investments of regional importance. The inability to create individual tax policy is a factor limiting the possibilities of actions for regional development because it primarily prevents the use of preferential tax policies in relation to entrepreneurs or investors, whose activities significantly could affect the region's economic development. This situation, in practice, significantly reduces the possibility of self-governing, which is particularly burdensome in terms of regional policy. This fact also draws attention to Piotr Dobrowolski, "In the process of reforming the public authorities — as is evidenced by government bills — achieving the most important goal of the reform, which was to provide local government "substantial part of public duties" (Art. 16, paragraph 2 of the Constitution) became illusory, because it was not accompanied by a significant decentralization of consolidated public financial resources."17 It was not possible to create a clear and coherent regional government's policy. Noteworthy is also strong lobbying in the parliament by individual ministers, who are defending the interests of their own departments. They torpedoed concepts of government decentralization.<sup>18</sup>

## The position of the Silesia in regional policy

The period of political transformation, modernization, and marketization of the economy in the early nineties affected Silesia significantly. A longtime process of industrialization in the area caused enormous in its scale environmental degradation, creation of urban chaos, as well as low and uniform qualification potential of the community living there. Definitely, the highest revitalization costs for society in the region resulted from the collapse and degradation of heavy industry. The collapse of mining and metallurgical companies had negative consequences for companies closely associated with them, providing services to mining and metallurgy, as well as the whole neighborhood of these enterprises. The year 2000 brought the first change on May 12, when the Parliament adopted the Law on the principles of sup-

<sup>&</sup>lt;sup>17</sup> P. Dobrowolski: Między centralizmem a samorządnością. In: IDEM: Władza lokalna a problemy rozwoju samorządności i decentralizacji w Polsce. Katowice 2000, p. 32.

<sup>&</sup>lt;sup>18</sup> Ibidem, p. 33.

<sup>&</sup>lt;sup>19</sup> K. FALISZEK, K. ŁĘCKI. K. WÓDZ: *Górnicy. Zbiorowości górnicze u progu zmian*. Katowice 2001, pp. 32—33.

porting regional development attempts to regulate it by introducing more transparent rules for financing regional policy in Poland. The Act specifies that the financial support for regional development from the state budget can be allocated to the tasks included in the provincial contracts and tasks performed only in the framework of specific programs, such as intervention in case of natural disasters or pilot testing new solutions in the field of regional development. Under the act, the directions and priorities for the promotion of regional development and the general principles of extracting areas to support include the national strategy for regional development. The specific objectives of supporting it and objectified criteria for extracting them is included in the support program (Art. 3, paragraph 5 and 6). The said law also applies to the use of objectified criteria for the distribution of funds allocated to support regional development. In Art. 5 paragraph 4 it is stated that "the local government access to financial support measures [...] is based on objectified criteria. These criteria should be drawn from the data and statistical indicators having the character of publicly available statistical information." The Act specifies which documents from the sphere of regional development are to provide the necessary arrangements in this area. Implementation of the strategy to ensure optimal conditions for the environmental growth and use of all EU funds is needed to rebuild the philosophy of the system of the public finance in Poland. A prerequisite for this process is a comprehensive public finance reform, including changes in the structure of public expenditure.

The new paradigm of national regional policy, which was expressed in the National Strategy for Regional Development, involves a shift of focus from sectoral intervention into integrated ones. It gives an opportunity to increase the influence of regional authorities on the development of the region based on the planned territorial contracts. In addition, as a part of adopted by F. Barca postulate "place based approach" 20 the simple division into Eastern Poland and the rest of the country should be given up. Thanks to this, the leading role of agglomeration centers will be highlighted. Due to this fact the leading role of agglomeration centers will be emphasized and among the problematic areas with underdeveloped rural regions also cities losing the social and economic functions. The significance of this fact for the Silesia is that on its territory 23 cities with the predominance in the central sub-region were identified, while in other voivodeships, this number fluctuates within 4—5. As a part of the Europe 2020 Strategy<sup>21</sup> the EU's development priorities were outlined, which correspond to greater external and global challenges (e.g. climate, energy, innovation) rather than internal (e.g. the common market, diversification of

<sup>&</sup>lt;sup>20</sup> F. Barca: An Agenda for a Reformed Cohesion Policy. Independent Report 2009.

<sup>&</sup>lt;sup>21</sup> EUROPE 2020. A Strategy for Smart, Sustainable and Inclusive Growth. EC Communication (2010).

development). The social and economic role attributed to metropolitan areas is the outcome of many features in these places. Being the most important disposal centers in the globalized economy, metropolitan areas are often also major hubs, and the location of the most important institutions of political, administrative, financial, industrial, and service centers, top-ranking research institutes, institutes of innovation, as well as consumption. Both the functional scope as well as the level of development, the level of concentration of the manufacturing potential, capital investment, and the dynamics of socioeconomic changes give the right to the recognition of metropolitan areas as the extremity of growth. According to the concept of growth, this type of center creates preferential conditions for economic development. However, the positive role of centers of growth for the entire economy may be revealed only in the case of arising conditions for the growth of diffusion pulses around the surrounding areas, and although Poland will remain the main beneficiary of the cohesion policy at least until 2020, the level of commitments may be reduced and more importantly, may stop focusing on reducing shortages in the infrastructure in less developed areas, and prefer the current growth centers. A key impetus of the development should be formalized and improved within the urban conurbation. Until then, the sphere of regulatory and management is far behind the actual development processes, becoming for them a real barrier.

National Regional Development Strategy 2010—2020 as a strategic objective adapts effective exploitation of specific regional and other territorial development potentials for achieving the objectives of national development including employment growth and cohesion in the long-term look (three main objectives were listed. Among them for the metropolitan areas "the support for increasing the competitiveness of regions" has the greatest importance, assuming the strengthening of metropolitan functions of provincial centers and integration of their functional areas). The strategy also accepts that "main features in the current conditions of development of the country and individual regions are the largest urban centers along with their functional areas". The most important among them are those which are the hubs of contemporary socio-economic processes and thus are able to create and attract the best human resources, investment for those sectors which provide the greatest productivity. They can create innovation and join the network with other centers in the international relations as well as in the national scale in order to increase complementarity and specialization, and make a better use of the benefits of agglomeration in a wide range. It means establishing the subject of a public debate involving representatives of both the government and the scientific community<sup>22</sup>. One of the important effects of the discussions undertak-

<sup>&</sup>lt;sup>22</sup> Krajowa Strategia Rozwoju Regionalnego 2010—2020: Regiony, Miasta, Obszary wiejskie (KSRR). Warszawa 2010, p. 94.

en is consolidating of the presence of metropolitan issues in the records of the most important documents of a policy and scientific studies, and publications, such as the National Spatial Development Concept 2030 or even the Green Paper concerning metropolitan areas. With the unresolved efficient governance model for metropolitan areas, and long-term backwardness associated with the creation of the Act with growing interest in the cultural distinction of the inhabitants of Silesia. It becomes the subject of a return to cooperation, with the restructuring of the mining industry, the financial allocation of European funds, and increasingly stronger demands to escalate the autonomy of the region during most meetings of representatives of the central authorities in Silesia. This task is not easy due to political reasons and the internal organization, especially when it comes to polycentric conurbation of Silesia. The undisputed fact remains that formally separated metropolitan areas have a significant impact on the processes of shaping the economy, society, and space.

In the absence of such a law, Silesian voivodeship loses above all much in terms of investment. Foreign investors will naturally choose the city with more than five hundred thousand inhabitants, which means outside Silesia. However, it cannot be seen that the Silesian metropolis there exists and generates 8.7% of Polish GDP. There are some exceptions. Recently IBM company launched in Katowice Service Delivery Center, a specialized institution acting within the global network of the American company, which is engaged in IT services, management of operating systems, servers, monitoring systems, etc. The company is planning that 2,000 people will find a job there by the year 2015.<sup>23</sup> Americans do not hide that the possibility of acquiring highly qualified personnel and a guarantee that it does not run out is the asset of Katowice. It is, however, not only at the national level. There is a wide spectrum of issues related to the coordination of the metropolitan system.

In Silesia, there are no bottom-up efforts to work together for development. When the concept of municipal associations that cities need a common vision of development was assumed, it turned out that in the conurbation of this mechanism it is not enough and it did not work. The emphasis on the individual nature of cities is so strong that a central mechanism for such cooperation intrusive is needed. Not without significance is the fact that cities have their own development strategies often based on "good neighborly" competition for inhabitants of investors, or influence in the region. In a situation in which the European Commission set up support programs for the urban areas, based on an integrated approach, in the amount of 5% from the European Regional Development Fund, the government decided to identify urban functional areas and allocate support for the development of provincial

<sup>&</sup>lt;sup>23</sup> A. Grzeszak: *Katowice stolicą aglomeracji śląskiej? Węgiel się kruszy.* "Polityka" 2014, nr 22.

cities. The incentive to work around the centers could undoubtedly become Integrated Territorial Investments. The obligatory ITIs arise for provincial cities, optional for centers in the sub-regions. Methodology of Integrated Territorial Investments in the current situation may be the only instrument of metropolitan functions.<sup>24</sup> Integrated Territorial Investments are a good step towards metropolization, in the long run, when more preferably, focus on three-four lines of action, so as to utilize the money to joint development. However, the concern of municipalities focused around Integrated Territorial Investments is to guard their own interests, not to be excluded from applying for EU money in other programs because of the participation in the consortium. Unfortunately, whenever there is money involved, internal friction intensifies among regions, sub-regions, and within the same Integrated Territorial Investments. A number of problems to solve in the short and long term grow. It is enough to recall some of the most important: the restructuring of the mining industry, depopulation of cities, economic and social revitalization of degraded areas in Upper Silesia and Basin cities, the management of the conurbation level, integration and modernization of public transport and waste management. A circumstance, which undoubtedly contributed to the revival of discussion on the issues that defined the region and strengthen the role of strategic planning at the central, regional and local level, was the fact of Polish accession to the European Union, and in particular the possibility of using financial instruments of the Community cohesion policy.

One of the processes that may determine growth in the future will be the ability to form functional connections between the regions remote from the center, which are their leading cities. Currently, in Poland such links are poorly developed. In the economic and social sphere ties towards the center with Warsaw dominate. As the reason for this situation with inefficient transport infrastructure is primarily indicated. In this context, as another growth factor of Upper Silesian agglomeration (also in relation to other areas of the region) a convenient location in the southern belt between Cracow and Wroclaw, with A4 highway as a link can be indicated. Agglomerations of regional importance may follow the path of development similar to the central side, but in a correspondingly smaller scale. Opportunity or necessity for sub-regions of the north and the south is the restructuring of rural areas on the basis of measures of the Common Agricultural Policy and the increased use of tourism potential. South and west sub-regions can also use the advantage that the neighborhood with the Czech Republic and Slovakia gives them,

<sup>&</sup>lt;sup>24</sup> Prawie każde polskie miasto chciałoby być metropolią. Property design [Portalsamorzadowy.pl (accessed: 13.05.2014)]; "Zintegrowane Inwestycje Terytorialne — nowy mechanizm współpracy i finansowania", VI Europejski Kongres Gospodarczy w Katowicach, 9 maja 2014.

especially in relation to the expected continuation of the European Territorial Cooperation programs.<sup>25</sup>

## Economic and social potential of the region

Along with the progressive convergence of the region in relation to the EU average, the attractiveness of the region as the labor market will increase. This should result in both inhibition of migration to the EU and increase in immigration to the voivodeship. The two streams should still coexist. Assuming that among immigrants the inhabitants from villages and small towns dominate, and immigrants settle in urban areas, mitigate adverse to the major cities of the region and demographic trends can be slightly expected. Public intervention in the Regional Operational Programme of Silesia 2007—2013 contributes to achieve the objectives set in the Programme, represent the operationalization of the vision formulated in the regional strategic documents. Formal proof of this influence is the significance of changes in the social and technical infrastructure. Indirectly, this hypothesis is confirmed by the models describing the impact of the intervention in individual priority axes. In the few cases where you cannot demonstrate this impact, the role of trends at the national level or even incomplete results of the Programme reflected in official statistics. Importantly, the dynamic economic development of the region does not affect the internal consistency of the region. Since 2005 a similar level of differentiation has been maintained.<sup>26</sup> For several years the voivodeship of Silesia remained in first place in the ranking of the most attractive Polish regions for investors. Good staff workers and access to attractive investment areas decide on the strength of the attraction of the Silesian voivodeship. What then makes Silesia so attractive for investors?

One of the essential factors taken into account in the ranking are the human resources and labor costs. Employers have the access to the largest number of employees, including working people, the unemployed and graduates from schools and universities. The biggest advantage is a large number of universities, which provide qualified staff. The only restriction is the relatively high wage level, which makes labor costs rising. Of great importance is the fact that the Silesian voivodeship ranks second in terms of number of

<sup>&</sup>lt;sup>25</sup> G. Gorzelak: Fakty i mity rozwoju regionalnego. "Studia Regionalne i Lokalne" 2009, nr 2 (36).

<sup>&</sup>lt;sup>26</sup> Ewaluacja ex post Regionalnego Programu Operacyjnego Województwa Śląskiego na lata 2007—2013. AGROTEC Polska, sierpień 2014.

inhabitants in Poland. Silesia is second only to Mazowieckie voivodeship. The region is inhabited by nearly 4—6 million people, which makes almost 12%. This, as in the case of labor costs high salaries, is an obvious weakness. A large number of inhabitants, population density, and wealth of households make the neighborhood a receptive market. The spatial analysis of investments aimed at strengthening the potential of the business and development and network structures for innovation points to the effective implementation of the Priority I of the Regional Operational Programme of Silesia for 2007—2013 by investing in generating the largest share in the GDP of the region and the largest growth of innovative enterprises. Forecast effectiveness of achieving the target product and result indicators suggests lower than expected level of support from business institutions cooperating with scientists. However, infrastructure support significantly increased the powers of the sector and has extended the offer in the area of cooperation with the business sector in key specialties of the region. For many entrepreneurs outside the metropolitan centers the cluster initiatives have become the first contact with the business environment. The impact of the Regional Operational Programme 2007—2013 to strengthen network structures for innovation concerned the first stage of their creation, rather than the achievement of tangible results.

As a result of the intervention the barrier of knowledge about the possibilities of technology transfer has been broken. It increased the sector's potential to develop a coherent information system within the cluster. However, this did not lead any specific innovations. Interventions did not influence significantly the demand of companies for cooperation with research and scientific units, which continues to prioritize the investment in fixed assets and not the transfer of technology. Evaluation of the effectiveness of the Regional Operational Programme of Silesia 2007—2013 points to increase the competitive advantage of enterprises through the introduction of innovative products and services in the vast majority of projects, modernization of production, promotion support outside the country (one third of the supported projects) support export activities mainly of medium-sized companies. Interventions of the Regional Operational Programme 2007—2013 respond to the development challenges associated with the unfavorable dynamics of investment firms, the low share of exports in total sales of small and medium enterprises, low potential for development of micro-enterprises, which constitute the vast majority of the total number of operators. The impact of EU funds on improvements of service offerings and the creation of standards for the provision of services to businesses was not accepted. The implementation of new service packages for entrepreneurs was not introduced. Unfortunately the concept of a new network of business support institutions was not developed, both in the context of the creation of new regional or local networks, as well as extracting the subnet of a regional or local network in the regional or international range.

#### **Final comments**

Globalization in the competitive context, relating equally to individual companies and entire areas, has resulted in the need for development of the region and the implementation of measures for accelerated, comprehensive transformation of the socio-economic structure. Ad hoc and fragmentary measures had to gradually give way to policy development in the long term and socio-economic. The axis of the current structure of strategic documents in Silesia is Silesian Region Development Strategy for the 2000—2020 period. This strategy determines a set of key values for the development of the voivodeship of Silesia, where detailing is in other strategic documents and software.<sup>27</sup> Similar importance in the organization of the planning process can be attributed to the Regional Spatial Development Plan of Silesia, which determines the specific solutions in the field of space.<sup>28</sup> Technical motive for updating the strategy was also a desire to simplify the document, giving it a more transparent structure and ease of perception. However, significant changes have taken place at a regional level. The transformation process gained momentum, the processes of internationalization of the Polish economy have led to a reassessment of the potential of the region, there were new problems and challenges. Thus, taking care of balanced and harmonious development of the Silesian voivodeship one should strive to make the best use of the positive trends and counteract adverse phenomena, so as to create conditions for the development of residents, businesses and organizations in the global competition. If we based the voivodeship's development on its relations with the environment and building its position in the European system, and with a view to balancing the internal functions of the region in the process of its development, the value of forming and shaping its future could be determined.

Silesia has valuable and enduring values that require backup, among which the most important is its tradition and culture, intergenerational relationships, family life, and professional aspirations of the community, work ethic, activity and entrepreneurship of young people, high sense of belonging and identification with the "small homelands" in global cross-border, spiritual, and material heritage of the region. For the harmonious and sustain-

<sup>&</sup>lt;sup>27</sup> On December 18th, 2014 the final shape of the Regional Operational Programme of Silesia was approved by the European Commission for the years 2014—2020. National programs were also approved. On 14th April this year The Regional Board adopted the draft of the Detailed Description of Priority Axes ROP 2014—2020. There is also a schedule of competitions.

<sup>&</sup>lt;sup>28</sup> K. Wrana: Wizje rozwoju województwa śląskiego i instrumenty ich realizacji w regionalnych dokumentach strategicznych. "Ślaskie Studia Regionalne" 2010, nr 1, p. 9.

able development of Silesia it is also necessary to change the strategy for the so-called debunked values, meaning those that need to take action to remove barriers. Extremely important is the development of new achievements for the future of Silesia, such as social integration, creative, and innovative attitude, the ability to operate in networks of cooperation based on the principles of partnership and openness. Major events, including cultural, artistic, and scientific European importance will help to create a strong and modern region.

Polish central policy, as Silesian voivodeship, is suffering from the lack of strategic thinking. The solutions are or we can find them, using the knowledge and experience of experts and consulting the ideas with the public. Previous experience of industrial regions, which undergo a complex process of economic, political, and social transformations, shows that the management of change without the participation of regional elites and consultation with the wider regional community fails. Therefore, Silesia has a long way to go in order to change that, which will require wisdom, prudence, and determination from the political, economic, and scientific elites, whereas much patience and forbearance from the society.

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