# MANAGEMENT OF CITY RESOURCE AND STAKEHOLDERS

#### IN THE EUROPEAN UNION

# PIOTR PACZÓSKI, M.Sc.

#### Abstract

The city is a place where the concentration of numerous entities of the administrative and socio-economic spheres, as well as the entire complex municipal infrastructure which is created, used and adapted by these entities to meet the needs of residents and direct environment, can be seen on a local scale.

Keywords: urban policy, management of city, stakeholders, resource.

#### Introduction

The city is a place where the concentration of numerous entities of the administrative and socio-economic spheres, as well as the entire complex municipal infrastructure which is created, used and adapted by these entities to meet the needs of residents and direct environment, can be seen on a local scale. The city is also a place that generates and catalyses the socio-economic development of the entire region /naturally, this refers to a city or cities that dominate in a given area, because it results from an administratively granted status or from the developed position/ - on a regional scale. Obviously, it is impossible to mark a crystal clear separation between these two dimensions. The permeation of the endogenous and exogenous dimensions is inevitable, moreover - essential. It is normal that such a state of affairs affects the entire city policy.

The proper conduct of urban policy is not only about the day-to-day administration of city affairs<sup>1</sup>. It is also about activities that prevent the chaos that was characteristic of development of cities in the late nineteenth century /but also, as discussed in this manuscript, in many cases in the period before 1989 in Poland, which does not mean that after that year there was a sudden "miraculous recovery"<sup>2</sup>/. However, the urban policy is mainly undertaking complex actions conducive to the logical and consistent city development. Following this reasoning as a basis, it can be stated without any doubt that

<sup>&</sup>lt;sup>1</sup> Nowak J.F., *Modernization of local public administration and local development*, Habilitation Papers 25, Publishing House of the University of Economics in Poznań, Poznań 2006, pp. 85 et seq.

<sup>&</sup>lt;sup>2</sup> Kwaśny J., *Thirty years of territorial self-government in Poland. Economy, development, reforms, Publishing House of the University of Economics in Kraków, Kraków 2019, pp. 128 - 137* 

urban policy is a consequence of the development of spatial management<sup>3</sup>. Challenges that spatial management faces<sup>4</sup> enforce the use of various procedures to be able to run this economy properly and pro-development, in a word - coherently.

### 1. What is urban policy?

In Polish theory and practice, it is assumed that urban policy is:

- 1. activities of municipal administrative authorities that are related to planning the city's socioeconomic and spatial development,
- 2. activities of the municipal self-government that relate to the management of city development,

The definition of urban policy is important as it allows determining the principles the implementation of which is indispensable in the city management process as a real manifestation of urban policy, or more precisely, of setting its directions. Throughout this complex process, the goal needs to be taken into account. Of course, the goal is socio-economic development, improvement of the environment quality and the living conditions of residents<sup>5</sup>.

The multi-dimensional success of the city, its comprehensive wealth, depends on existing assets, including the degree of their use<sup>6</sup>, i.e. factors that influence the city's development, and these are:

- 1. Residents, along with their knowledge, experience and qualifications,
- 2. Degree of local community's organization and engagement,
- 3. Traditions and heritage of material culture,
- 4. Level of intellectual development and the corresponding level of residents' creative engagement<sup>7</sup>,
- 5. Size and diversity of natural resources,
- 6. Quality of the environment,
- 7. Quality of urban infrastructure.

The way and extent to which these factors can be used will depend on:

- 1. Level and phase of urban development,
- 2. Level and phase of economic development,
- 3. The relationship between urban policy and other policies that are implemented in the city. This mainly relates to sectoral policies.

However, these are not all factors that influence the city's development<sup>8</sup>. It should be remembered that it is also conditioned by:

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<sup>&</sup>lt;sup>3</sup> Nowakowski M., Bańkowska B., *One hundred years of space planning of Polish cities /1910 - 2020/*, Oficyna Naukowa, Warsaw 2013.

<sup>&</sup>lt;sup>4</sup> Majer A., Sociology and urban space, Wydawnictwo Naukowe PWN SA, Warsaw 2020, pp. 151 - 227

<sup>&</sup>lt;sup>5</sup> Przywojska J., *Revitalization of cities. The social aspect*, Publishing House of the University of Łódź, Łódź 2016, pp. 49-50

<sup>&</sup>lt;sup>6</sup> *Ibdem*, p. 80

<sup>&</sup>lt;sup>7</sup> Kissinger H., World order, CZARNE Publishing House, Wołowiec 2017, pp. 326-330

<sup>&</sup>lt;sup>8</sup> Sztando A., A supra-local perspective of strategic management of local development on the example of small towns, Publishing House of the University of Economics in Wrocław, Wrocław 2017, pp. 40-41

- 1. City size,
- 2. Interactions with other urban centres and the surroundings in general,
- 3. Development strategies created in the past and implemented so far,
- 4. Identification of the strengths and weaknesses of the city,
- 5. Social and economic policy, both in the dimension that has its source in hard economic rules, and in those that are derived from factors and development opportunities specific to this particular city. Attention should also be paid to instruments to be used in urban policy to properly implement the factors presented above. These are undoubtedly:
- 1. Skills /they are also a factor of development, as above/ proper use of skills,
- 2. Effective administrative and representative management<sup>9</sup> /social participation in city management at every stage of process/<sup>10</sup>,
- 3. Specificity /of place, time, conditions/,
- 4. Cooperation /of all entities operating in the city, and their relations with the environment/.

  Urban policy is not an abstract concept. It is a real sequence of actions that relate to specific spheres<sup>11</sup>, i.e.:
- economic, which includes strategic planning, implementation of comprehensive investment
  projects, support for economic development, creation of entrepreneurship zones, innovation policy,
  development of sports and recreational, tourist and gastronomic infrastructures, multifaceted
  development of international cooperation, coordination of partial development policies in individual
  areas of city life, coordination of development policies with other centres, development of economic
  contacts;
- social, which includes development of care and social services, mainly in relation to children and seniors, with particular emphasis on people with physical and adaptive disabilities, a cultural offer and its development, along with development of conditions for talents, all kinds of preventive and protective actions that build a sense of safety and counteract all manifestations of violence and other social threats, health prevention and protection, development and expansion of the educational and scientific base, promotion of democratic procedures and social participation in local matters;
- infrastructure and construction, which includes municipal housing resources /residential and commercial premises/, housing construction along with the entire management system /including housing communities/, management of municipal units providing public services, such as transport

<sup>&</sup>lt;sup>9</sup> Kożuch B., *Public strategic management. Principles and methods*, [in:], Kożuch B., Kochalski C., [ed.], *Strategic city management*, Monographs and Studies of the Institute of Public Affairs of the Jagiellonian University in Krakow No. 7/2011, Krakow 2011, pp. 7 - 24

<sup>&</sup>lt;sup>10</sup> Paczóski P., Social participation in public management for local development, In:, Laskowski P., [ed.], Territorial self-government in Poland from the perspective of the 25th anniversary of its functioning, Scientific Journals of the Wałbrzych University of Management and Entrepreneurship, T. 33, Publishing House of the Wałbrzych University of Management and Entrepreneurship in Wałbrzych, Wałbrzych 2015, pp. 239 - 251,

<sup>&</sup>lt;sup>11</sup> Parvsek J., op. cit., p. 81

- and public means of communication, supply of utilities, city cleaning, etc., preparation and development of investment areas, protection of monuments;
- spatial, which includes such issues as relations shaping with areas located in the immediate vicinity
  and solving possible problems that may arise in connection with health protection, public services
  /e.g. passenger transport/, public safety, education and upbringing, economic and administrative
  relations.

### 2. Factors of local and regional development and their significance for urban policy

Further to the above, and mainly with regard to the issue of development factors, as this deserves more attention, it should be concluded that regardless of whether it is local or regional development, the process is not self-contained. In the sense of a vision, creation, and above all - in the sense of fulfilment - it is a phenomenon dependent on various factors. Therefore, while accepting this statement as indisputable, development factors should be given an appropriate rank, i.e. one that results from a pragmatic approach to the problem. Of course, as it was said before, under certain circumstances the focus can only be on the specificity of a given city. However, in the context of the considerations presented in this manuscript, it is more desirable to make a kind of generalization and to select such development factors that may have the attribute of universality, i.e. refer to a group of cities for which one can try to establish a common denominator. Such factors<sup>12</sup> are:

- 1. The needs of local communities, among which there are as follows:
- existential/biological, resulting from the functioning of households, which are satisfied through functioning in the material and non-material spheres,
- residential, which are satisfied through possession of a flat, appropriate equipment, corresponding to comfort and functionality,
- cultural, relating to the intellectual and emotional sphere of human life, and it is mainly about
  meeting the needs through a rich media offer /cinema, theatre, philharmonic, etc./, educational
  /libraries, reading rooms, clubs, etc./, and cultural /museums, historic monuments/,
- social, relating to community life /community centres, discussion clubs, open associations/, giving the possibility of fulfilment in social life<sup>13</sup>.
- 2. Resources and values of the natural environment, among which the following should be distinguished:
- land resources that constitute a factor determining the city's real development opportunities, and result from the availability of land with the desired quantitative and topographic values,
- mineral resources their presence, type, size, extraction possibility,

<sup>&</sup>lt;sup>12</sup> Szewczuk., Kogut-Jaworska M., Zioło M., *Local and regional development. Theory and Practice*, C.H. Publishing House Beck, Warszawa 2011, pp. 52-63.

<sup>&</sup>lt;sup>13</sup> Kachniarz M., Raczyński R., [ed.], *Self-government of the 21st century. Problems. Trends. Solutions*, SIEDMIORÓG, Wrocław 2018, pp. 15 - 45.

- topography, it is most often a barrier factor the more diversified in terms of topography /height differences between individual fragments of a given area, the degree of inclination/, the less friendly /more difficult/ it is in the context of development,
- hydrological conditions, type and size of surface and groundwater resources water is essential for life and economy, and it has a fundamental effect on the functioning of the city and its development /e.g. accessibility/distance to watercourses, abundance of water bodies/,
- climatic conditions that fundamentally affect the lifestyle and the entire economy, for example, in the context of tourism, agriculture, construction, etc.
- soil conditions which are especially important in agricultural areas /they determine the type of crops, yield/,
- vegetation, mainly in the sense of forested areas, which have a major effect on the entire sphere of recreation and leisure /parks, forests/, but also the possibility of obtaining raw materials and processing them,
- natural values, in particular, in the context of aesthetics, which largely influences settlement decisions and the way of spending free time.
- 3. Labour resources, i.e. the human factor, which is the main driving force in the entire development process, should be considered in the following contexts:
- occurrence of an excess of labour resources in relation to the actual demand on the local market,
- state of relative balance between supply and demand,
- long- or short-term deficit in the groups of qualified workers or workers with special qualifications.

  Taking into account the possibility of occurrence of one of these three states, the most desirable, and the safest by all means, is the balance between the supply of labour resources and the demand for them.
- 4. Infrastructural investment, which is one of the most important development factors. This is due to the fact that potential local and external investors pay special attention to:
- existence and condition of basic devices and technical infrastructure networks,
- spatial distribution of the infrastructure network,
- accessibility and technical possibilities of connecting to the existing technical infrastructure,
- efficiency of the existing technical infrastructure, possibility of its expansion and modernization.
- 5. The existing economic potential, or more precisely, the current development level of all areas of social and economic life, taking into account potential development opportunities. The point is that only a developed and diversified structure of the economy provides a development basis, using favourable conditions for undertaking investment business activity or activities based on cooperation and complementarity.<sup>14</sup>

<sup>&</sup>lt;sup>14</sup> Lorens P., Mironowicz I., Selected theories of contemporary urban planning, Akapit-DTP, Gdańsk 2013, pp. 102-108.

The higher the level of infrastructure development, the greater the chances of success in strategic development, although it would be difficult to make a clear gradation as to which of the structural factors is dominant, because both:

- the socio-economic structure that consists of various chambers of commerce and industry, trade and service associations, craft guilds, development agencies, scientific associations, etc.
- financial structure that includes banks, economic support funds, foundations and development agencies, investment companies and funds, assurance and reassurance companies, insurance companies, etc.,
- the political structure that consists of political parties, informal pressure groups, NGOs,
- the educational, academic, upbringing and caring structures they all play an enormous role and by coexisting with each other they form the local strength.
- 6. Local market and external markets. Currently, the market with all the regularities characteristic of the market economy determines the possibilities of satisfying social needs. The market, which is considered a development factor, reveals the relationship between local authorities, producers of services and material goods and the community, which expresses needs and is a consumer at the same time. The goal is to better meet the needs, which are constantly growing, because it is natural. This fact is the source and motivator of progress and development. Therefore, the production of new goods, more attractive forms of sales, marketing projects, building modern relations between manufacturers and service providers and customers should stimulate local development by creating and modernizing job positions, production methods and distribution methods. Market research and a proper way of investors' reactions to its requirements are the necessary conditions the fulfilment of which determines the effectiveness of activities and leads to development<sup>15</sup>.
- 7. Investment capital and financial resources they play a fundamental role in development. Without any doubt, the abundance of financial resources is the foundation on which all activities, including development ones, are based.

As for investment capital, it can be divided into three categories, assuming the source of origin as the criterion. And yes, it is derived from:

- local investors, i.e. residents who use their capital by being institutionalized investors/entrepreneurs, or ordinary citizens who decided to invest it in e.g. building a house, for example,
- capital under the control of territorial self-government units, own or obtained from other sources /e.g. European funds/
- external capital at the disposal of potential investors/various companies, entrepreneurs, but also state capital/.

<sup>&</sup>lt;sup>15</sup> Heffner K., Polko, [eds.], *Transformation of municipal functions in local centres*, Scientific Journals of the Karol Adamiecki University of Economics in Katowice, Katowice 2010.

All local development projects have their source in needs<sup>16</sup>, and being dependent on implementation conditions, they cannot ignore such circumstances as:

- size and structure of the capital resources that can be obtained,
- intention and determination to invest in a given place,
- circumstances conducive to /or not/ investment activities,
- clarity of the investment program,
- material status of the local community,
- location-specific /local/ economic, demographic, ecological, and cultural conditions, historical traditions, self-government status /efficiency of self-government administrative structures<sup>17</sup>, the level of social participation<sup>18</sup>/.

Attention should also be paid to the following circumstances that are also important for raising investment capital:

- local properties of a location. No two places are identical. Each is different, and therefore specific in each dimension,
- value systems recognized or cultivated by local communities, founded on historical, cultural, religious and political experiences,
- coherence of interests, both among local residents and entrepreneurs<sup>19</sup>,
- detail and access to information on a given place, i.e. various marketing activities of local and supralocal administrative and self-government structures.

All of them together form an important element of planning and implementation undertakings in the development process<sup>20</sup>.

8. The level of science, culture and technology. Currently, it is clearly visible at every step that science plays a prominent role in every sphere of social and economic life. This translates into changes in production models, consumption structure, shaping of the spatial structure of cities, expansion of their functions and filling possibilities. Giving importance to science is essential in the process of social and economic development. This should be manifested by allocation of large financial resources of cities, state budget funds, extra-budgetary funds from, for example, various foundations. However, investors have space for development here.

<sup>&</sup>lt;sup>16</sup> Montgomery C., *The Happy City. How to change our lives by changing our cities.* Wysoki Zamek, Krakow 2015, especially chapter X *For whom the city, pp. 309-341.* 

<sup>&</sup>lt;sup>17</sup> Stawasz D., Sikora-Fernandez D., [ed.], *Management in Polish cities according to the smart city concept,* Placet, Warszawa 2015, pp. 33-53.

<sup>&</sup>lt;sup>18</sup> Paczóski P., Social participation in public management for local development, In:, Laskowski P., [ed.], Territorial self-government in Poland from the perspective of the 25th anniversary of its functioning, Scientific Journals of the Wałbrzych University of Management and Entrepreneurship, T. 33, Publishing House of the Wałbrzych University of Management and Entrepreneurship in Wałbrzych, Wałbrzych 2015, pp. 239 - 251,

<sup>&</sup>lt;sup>19</sup> Mironowicz I., [ed.], *Tomorrow of the city. 6th Congress of Polish Town Planning. Presentations-Debates-Events*, Biblioteka Urbanisty, Warszawa 2019, pp. 51-64.

<sup>&</sup>lt;sup>20</sup> Korzeniak G., [ed.], *Integrated urban development planning*, Institute of Urban Development, Kraków 2011.

The entire sphere of science, technology and culture, treated as a strategic factor in the development process, can develop rapidly, especially in academic and scientific centres, which are the domain of large cities. Regardless of the afore-mentioned, technology, research and science zones/parks are created in smaller urban centres or in newly emerging economic areas. They play a very important innovative and stimulating role in relation to local companies and enterprises, especially small and medium-sized ones.

- 9. Technology and innovation. Without innovation and technological progress, there is no development, because their application is a necessary condition for achieving better results in every field of management and in every management dimension. The introduction of new system solutions, scientific achievements and modern technologies into life improves all kinds of processes, increases efficiency, enriches the market with modern products and services therefore it affects the development of cities.
- 10. Advantage of space. Size, location, topography, technical infrastructure and the possibility of adapting it to specific needs, ownership structure of developed and undeveloped real estate, spatial development plans in force all this determines the economic attractiveness of a given place, makes possible (or not) to run different activities, provides an opportunity for success and development. Areas that are attractive from the economic point of view are desirable by potential investors, they make the commune's attractiveness more credible, and they are an impulse for which it is worth getting involved economically.
- 11. International cooperation. It is of particular importance in situations of technological delays, shortages of investment capital, inadequate organizational solutions, need to retrain staff (not only in production, but also at the management and administrative and local levels) that happen quite often. From the point of view of local development, the following are of fundamental importance:
- winning foreign investors, along with their financial, organizational and technological capital
- acquiring financial aid and structural funds /such opportunities appeared with Poland's accession to European structures/
- acquiring human resources and specialist consultancy from foreign partners.

All the presented factors are important elements and conditions for development but at the same time their insufficient dimension, scope of influence, inappropriate attitude towards them, neglect, and incompetent use can make them become barriers to development instead of pro-development<sup>21</sup>.

Urban policy consists in using development factors as effectively as possible. It is largely dependent on the social climate, i.e. the general attitude of society to development projects. Their initiators and creators should take into account basic elements of this social climate, which is manifested in the following forms:

<sup>&</sup>lt;sup>21</sup> Kożuch B., Kochalski C., [ed.], *Strategic city management*, Monographs and Studies of the Institute of Public Affairs of the Jagiellonian University in Krakow No. 7/2011, Krakow 2011.

- social interest and support for local development,
- self-government's will to initiate pro-development activities and experience in this regard,
- susceptibility to innovative activities, creativity, as well as entrepreneurship of local society,
- legal, organizational and financial conditions favouring all initiatives for local development.

## 3. Directions and addressees of urban policy

The fact that urban policy is extremely important can be seen in the fact that it is the subject of considerations and studies at the European and national level - on Polish soil.<sup>22 23</sup> This is why urban policy has such a high rank. Rank which corresponds to the severity of a problem. This is because city residents constitute a significant part of the Polish population. If add to this the inhabitants of areas located in the immediate vicinity of cities and various functional dependencies related to them, it can be safely said that they all together constitute the vast majority of the Polish population.

Cities are areas where there is a strong concentration of manufacturing entrepreneurship, public services, education and science. Cities are also strong creators of economic development. It can also be said that cities are network nodes<sup>24</sup> for companies and institutions, as well as employees equipped with knowledge, experience and skills to use them<sup>25</sup>. This factor is conducive to all effectiveness, which makes the development of these areas more dynamic. Even in small towns there are phenomena that play a significant role in drawing on the cultural heritage of a given place, influencing the sense of residents' identification and identity with this particular place. This translates into the economy sphere.

Urban areas are platforms on which numerous economic and social problems concentrate. Their concentration in one specific place allows making a conclusion that any social disproportions are easier to observe in a city than between neighbouring regions, for example. Therefore, to solve problems and eliminate disproportions through sustainable development of urban areas, and to improve the life quality of inhabitants, these issues must be approached with understanding, and must be given priority by using comprehensive solutions<sup>26</sup>.

The solutions described in the National Urban Policy<sup>27</sup>, a document that was created on the basis of the Act of 6 December 2006 on the principles of development policy<sup>28</sup>, are to be used for this purpose. The content of the document, which is the National Urban Policy, states as follows:

<sup>&</sup>lt;sup>22</sup> Majda T., Mironowicz I., [ed.], *Urban Manifestos*, Biblioteka Urbanisty, Warszawa 2017.

<sup>&</sup>lt;sup>23</sup> Mironowicz I., [ed.], *Tomorrow of the city. 6th Congress of Polish Town Planning. Presentations-Debates-Events*, Biblioteka Urbanisty, Warszawa 2019.

<sup>&</sup>lt;sup>24</sup> Ciesielski M., [ed.], Networks in the economy, Polskie Wydawnictwo Ekonomiczne, Warszawa 2013

<sup>&</sup>lt;sup>25</sup> Barber B.R., *If Mayors Rule the World. Dysfunctional countries, flourishing cities*, Warszawskie Wydawnictwo Literackie MUZA S.A., Warszawa 2014, p. 129 et seq.

<sup>&</sup>lt;sup>26</sup> Majer A., *City according to sociology. Selected topics*, Publishing House of the University of Łódź, Łódź 2020, in particular chapter III *Urbanization and its evolution, pp. 83 - 103*.

<sup>&</sup>lt;sup>27</sup> National Urban Policy, access: pte.pl/pliki/2/21/KrajowaPolitykaMiejska.pdf.

<sup>&</sup>lt;sup>28</sup> Act of 6 December 2006 on the principles of development policy, Journal of Laws 2006, No. 2006, No. 227, item 1658.

- it is addressed to all Polish cities along with functional areas, regardless of their geographical location and size, whereas it was emphasized that particular importance should be given to issues of small and medium-sized cities,
- it was emphasized that development instruments should be selected individually, respecting the specificity of a given city and the chosen development path,
- the systemic principle of respecting territorial independence and self-government was confirmed,
- particular attention should be paid to the relation between self-government and government administration.

The addressees of the urban policy, which is based on the above-mentioned principles, are all cities in Poland, as well as their functional areas. This policy is the embodiment of an integrated territorial approach, and the emphasis is put on the urban dimension. The idea is to treat territories and create development processes in such a way as to give priority to functional areas, not administrative boundaries. This is in line with the National Spatial Development Concept 2030<sup>29</sup>. The document states that the urban functional area is a spatially continuous settlement system that consists of administratively separate units. This system consists of: a/ compact urban area, and b/ urbanized zone that is functionally related to it. In an administrative sense, this area may include urban, rural and urban-rural communes.

It should be emphasized that the urban policy is addressed not only and exclusively to cities, but its addressees are their functional areas as well, which is a clear confirmation of the importance of relations between cities and functional areas.

### 4. Implementation of urban policy

Urban policy should be implemented in accordance with the principles set out in the National Strategy for Regional Development<sup>30</sup> that determine its success, which means that is should be based on:

- 1. The principle of integrity, which makes urban policy subordinate to development policy, because urban policy is a link of national/regional and spatial policies, and its tasks, objectives and instruments are closely related and subordinated to them;
- 2. The principle of an integrated territorial approach, meaning that it relates not to areas marked by administrative borders, but to functional areas;
- 3. The principle of multi-level management that consists in constructive and coordinated cooperation between the government administration and three levels of self-government units /province, poviat and commune/.

<sup>&</sup>lt;sup>29</sup> Resolution No. 239 of the Council of Ministers of 13 December 2011 on the adoption of the National Spatial Development Concept 2030, M.P. 2012, item 253.

National Strategy for Regional Development, adopted by the Council of Ministers, access: www.gov.pl/web/fundusze regiony/krajowa - strategia - rozwoju – regionalnego.

By assumption, the strategic goal of urban policy<sup>31</sup> is to give cities and urban areas well-established possibilities for sustainable development, creation of jobs, and improvement of the life quality standard of inhabitants. Therefore, to meet this goal, the city must be efficient in every respect, or at least close to that state<sup>32</sup>. It is obvious that aspiration and cooperation of all municipal entities: public administration /government and territorial self-government/, self- government representatives of the city community, entrepreneurs, citizens of the city<sup>33</sup>, is of great importance.

In order for the idea - the above strategic goal - to be met, it is necessary to take smaller steps first, i.e. set and implement goals with a greater degree of detail. The National Urban Policy document proposes the following:

- 1. Creating conditions conducive to more effective and efficient management of urban development in partnership, including metropolitan areas /efficient city, as mentioned above/;
- 2. Activities that support the sustainable development of urban centres<sup>34</sup>, taking into account the need to counteract the undesirable phenomenon of out-of-control suburbanization /strive for a compact and sustainable city/, preserving spatial order;
- 3. Initiating and creating development by revitalizing degraded social and economic spheres of urban areas /i.e. activities that will strengthen social and economic activity/;
- 4. Creating conditions for cities to be more competitive in relation to other city centres /domestic and foreign/. Metropolitan functions in relation to the economic, social, scientific and cultural spheres should also be subject to development/;
- 5. Supporting the development of subregional and local urban centres in particular, in problematic areas of regional policy, including rural areas. The focus here is on strengthening the economics of subregional and local centres. This state can be achieved by the optimal use of existing potentials, innovation, not only in relation to new industries, but also in relation to already functioning industries with an established position and ones that are traditional for a given place. It is important to develop and maintain human capital in cities, which is able to create<sup>35</sup> and diversify the local

<sup>&</sup>lt;sup>31</sup> Gzell S., *Urban planning of the 21st century,* Wydawnictwo Naukowe PWN, Warszawa 2020, pp. 168-170.

<sup>&</sup>lt;sup>32</sup> The so-called Athens Charter raises the issue of the multi-aspect nature of a functional city. Details of this most important, perhaps, urban manifesto of the 20th century: Le Corbusier C., *Athens Charter*, Architecture Centre Foundation, Warszawa 2017.

<sup>&</sup>lt;sup>33</sup> The authors of the publication analyse this subject in an extremely interesting way: Siuda P. [ed.], *Local communities. Present and future /VER.2.0/, Wydawnictwo Naukowe KATEDRA*, Gdańsk 2019

<sup>&</sup>lt;sup>34</sup> Rose J.F.P., Well-tuned city, Krakater, Kraków 2019, pp. 147-173.

<sup>&</sup>lt;sup>35</sup> Paczóski P., Civic dialogue as a creator of local development, In: Bąk A. [ed.], Spatial management. Current aspects of socio-economic and spatial policy. Research papers of the Wrocław University of Economics, No. 418, Publishing House of the Wrocław University of Economics, Wrocław 2016, pp. 252 - 263.

economy in terms of development<sup>36</sup> as well as counteract depopulation of medium and small towns.<sup>37</sup>

### 5. Conclusions

Polish cities faced unfavourable conditions for development for several decades. The lack of financial resources, the state of legal regulations, a large dose of politics along with an ideological odium, which determined the method of management to a large extent, were circumstances that influenced the harsh reality. Of course, the enormity of the war devastation that largely affected the cities should be taken into account. After 1945, the priority was to rebuild them, and only then focus on possible development activities. However, there was a lack of strength and resources.

Gradually, starting in 1989, changes that favoured the creation of urban development began to take place. The systemic transformations resulted in new system solutions in the sphere of legal regulations, management methods of the state and local government units, including cities.

It would be a serious mistake to insist that Polish cities did not develop at all before 1989. Yes, it may be legitimate to state that their development did not meet the expectations, that the potentials that existed in cities were not recognized, sufficiently developed, or properly used, or that there were no favourable conditions for it.

The situation we are currently facing<sup>38</sup>, when it comes to the development potential of cities, has its source in:

- historical legacy<sup>39</sup>,
- natural strengths and weaknesses of cities,
- quality of management.<sup>40</sup>

At the turn of the systemic transformation, Polish cities had certain development capitals at their disposal, although in many areas they were neglected.

The harmonious development of the city is absolutely conditioned by appropriate resources that have to be owned and can be called "city capitals" Whereas, this is not only in the sense of cash intended for financing investments. In this case, capitals must be given a much broader meaning, assuming that they are all resources /owned and obtainable/ that are necessary for development. And so, the following capitals are distinguished:

<sup>&</sup>lt;sup>36</sup> Paczóski P., *The importance and influence of social capital on local development,* In: Brol R., Raszkowski A., Sztando A., [ed.], *Local economy in theory and practice, Research Papers* of the Wrocław University of Economics, No. 391, Publishing House of the Wrocław University of Economics, Wrocław 2015, pp. 229 - 238.

<sup>&</sup>lt;sup>37</sup> National Urban Policy, *op. cit*, pp. 4-15.

<sup>&</sup>lt;sup>38</sup> Brzozowska B., *City crowds. City and community in the era of network cooperation*, Publishing House of the University of Łódź, Łódź 2017, pp. 105 et seq.

<sup>&</sup>lt;sup>39</sup> Wantuch-Matla D., *Public space 2.0. The city at the turn of the 21st century*, Księży Młyn Dom Wydawniczy, Łódź 2016, pp. 21-39.

<sup>&</sup>lt;sup>40</sup> Report on major Polish cities, access: pwc.pl/pl/sektor-publiczny/raporty-warszawa-pol.pol.pdf

<sup>&</sup>lt;sup>41</sup> *Ibdem* pp. 4 - 6.

- 1. Human and social, which determine the qualitative value of the city's human resources. Employees' knowledge, experience and qualifications, demographic structure, and professional and social activity of the inhabitants have significant role in this respect;
- 2. Culture and image. This capital shows how the city is perceived in terms of attractiveness, e.g. passive cultural offer /cinema, theatre, opera, philharmonic hall, library/, and active /possibility of acquiring and developing skills, e.g. artistic/;
- 3. Quality of life. The essence of this capital is the conditions of existence, work, rest, etc. the city offers. Elements such as the condition of the natural environment, accessibility, versatility and quality of health care, diversity and quality of the educational and scientific offer, as well as a sense of safety also play a significant role here;
- 4. Technical and infrastructural, which should be understood as the entire infrastructure the city is equipped with /housing resources, roads, means of public transport, utilities such as water, sewage, gas, electricity, teleinformation network, etc./;
- 5. Institutional and democratic, which is proof of the efficiency /or not/ of functioning of various municipal institutions, in particular, public administration, together with municipal management companies serving the city, as well as the efficiency of representative bodies of territorial self-government;
- 6. Investment attractiveness which favours local investors and attracts external investors, including foreign ones;
- 7. Sources of funding. This determines to what extent the city: a/ is the owner of funds and b/has the ability to raise funds.

The most advantageous and desirable situation is when the city owns all seven capitals at the same time, and their size is appropriate from the city's point of view. If any of these capitals is missing or is insufficient, then this shows the size of the city's weakness, determining strategic development opportunities and its directions.

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#### **Note about Author:**

Piotr Paczóski, M. Sc., Wrocław University of Economics, piotr.paczoski.broker@op.pl.