

DETERMINANTS OF LOCAL DEVELOPMENT STRATEGIES

Andrzej P. Wiatrak✉

University of Warsaw

ABSTRACT

The article seeks to specify the extent to which municipal development strategies form the basis for municipality development and what determines these strategies and development processes at the local level. It discusses the following issues: the nature and objectives of local development strategies, characteristics of the development strategy in the Stara Błotnica Municipality in the Mazowieckie Voivodship, and the determinants of the municipality's local development strategy. The considerations herein suggest that the foundation for actions and the use of its resources is provided, on the one hand, by its multifunctional development and, on the other, by sustainable development, relying chiefly on its resources and support from various aid funds, in particular the European Union funds. The municipal development path is set in line with the socio-economic policy implemented by higher levels, namely the EU, Poland, the Mazowieckie Voivodship and the Białobrzegi District. Task performance requires financial outlays that exceed the municipality's budget, which proved to be a barrier to full implementation of the strategy. The article was prepared on the basis of related literature as well as documents and materials concerning the Stara Błotnica Municipality in the Mazowieckie Voivodship.

Key words: municipality, strategy, development, determinants

INTRODUCTION

Socio-economic transformations taking place in Poland since the 1990s have aroused interest in local development strategies. This is reflected as strategies for the development of municipalities, groups of municipalities, districts, etc., that specify their development path. Strategy implementation contributes to the change of the functional structure of an area, yet no widespread success of municipalities and districts can be spotted in structural changes or improvement of living and working conditions of their inhabitants. Neither are subsequent updates of these strategies always instrumental to the progress in this respect. Therefore, questions arise regarding the determinants of local development strategies, at the stages of both

preparation and implementation. These make up the content of this article.

The following issues are analysed in the article: the nature and objectives of local development strategies, characteristics of the development strategy in the Stara Błotnica Municipality in the Mazowieckie Voivodship, and the determinants of the municipality's local development strategy. The study seeks to specify the extent to which municipal development strategies form the basis for municipality development and what determines these strategies and development processes at the local level. The aim hereof is primarily cognitive, based on related literature and documents regarding the functioning of the municipality in question. The foundation for considerations was provided by data processing methods, i.e. analysis and synthesis. The

✉ apw@wz.uw.edu.pl

considerations are mainly made at the local (municipal) level, combined, however, with higher levels.

THE NATURE AND OBJECTIVES OF LOCAL DEVELOPMENT STRATEGIES

The local scale comprises a specific area limited by spatial coverage and separated from the environment, including – as in Poland – a municipality, a group of municipalities or a district. For its constituent parts (e.g. cities or villages), it is a system designed for the implementation of specific social, economic and environmental objectives and tasks, as well as having production resources and intellectual capital, including investment expenditures, for these purposes. In turn, development is a process of positive changes encompassing quantitative growth and qualitative progress that upset the existing balance. Therefore, this development should be integral, integrated and sustainable. A local strategy is a set of objectives and tasks of a given community and major organisational projects to be implemented within a specific timeframe and defining actors and instruments for their implementation [Adamowicz 2003, Wiatrak 2011, Lusawa 2012, Blakely and Leigh 2013]. It should be stressed that economic development lays the foundations for development in other fields, hence creating and stimulating the former should underlie the activities of territorial governments that create material conditions for developing other domains [Rakowska 2017]. This approach is reflected as local development strategies combining various spheres of activity and their determinants [Wiatrak 2011].

A strategy contains at least the following elements [EU 2013]:

- a description of its objectives and their hierarchy, including target outcomes;
- an action plan showing how objectives translate into actions;
- a description of solutions for strategy management, monitoring and evaluation;
- a description of community involvement in strategy development;
- a financial plan.

A strategy is a comprehensive programme defining all levels of the local system and organising activities

within these levels. It covers the entire functioning of a territorial unit, setting the future directions for action, including the scope of changes, and delineating the conditions and tools for action implementation. This is mirrored in strategy objectives that most often encompass the following areas of action [Szewczuk et al. 2011]:

- restructuring and diversification of business activities;
- economic growth and development of the services sector, with new jobs, lower unemployment, increased demand for offered products, etc.;
- technological development and implementation of innovations;
- development of institutional infrastructure and social resources supporting the development of the area;
- qualitative changes in the natural environment through building green infrastructure and eliminating threats to the environment;
- improving the welfare and quality of life of the population through income, working conditions, housing, etc.;
- increasing social and professional mobility through retraining, entering new professions, etc.;
- developing a positive image of the area through actions listed above as well as cooperation of the local community.

Each area has its own hierarchy of objectives and tasks corresponding to existing capacities and expectations as to a specific range of changes and development. Capacities are determined by the resources possessed by a territorial unit but also by external resources (such as loans, leasing, aid funds, etc.) that it can obtain for its development programmes. Nevertheless, expectations arise from the adopted strategy objectives and prepared development programmes. In order for the expectations to be satisfiable, a balance needs, however, to be ensured between them so that the actions resulting from the strategy are realistic. It should be highlighted that although it is the resources possessed that form the basis for local strategies, their activation depends on the activity of the territorial unit managers, their attitude expressed as the quest for changes and determination of transformation paths. What should also be taken into account is the activity of the local population in this respect, in particular that

of leaders and local action groups (LAGs) supported in the EU Member States. Local action groups are involved in developing the capacity of local actors to devise and implement community-led strategies and manage projects under these strategies [EU 2013]. Nonetheless, successful implementation of LAG strategies hinges on their consistency with the strategies of municipalities and districts.

Local development factors are both internally and externally diverse, namely they are closely related to a specific area but also to a region and the country. The following factor groups should be first and foremost taken into consideration [Warczak 2015]:

- economic factors: labour resources, natural resources, fixed assets, size of the internal market, etc.;
- social factors: demographic and occupational structure of the local population, population growth, migrations, education and training, healthcare, cultural values, promotion of culture, traditions, customs, development of tourism, sports, etc.;
- technical and infrastructural factors such as: infrastructural facilities, innovation level of the economy and its products;
- environmental factors: appropriate management of the natural environment and its resources, actions to reinforce environmental sustainability, etc.;
- political and systemic factors, i.e. the nature of government and the scope and manner of governance, the level of its acceptance by the public, applicable legal rules and regulations, international relations, etc.;
- spatial factors such as: location factors, concentration factors, cooperation with other areas and local communities, etc.;
- local factors: understood as the social capital, including the development of self-governance, development of initiatives, development of social activity, cooperation for development, etc.

Each area (municipality, district, and so forth) must itself ensure drivers for its own opportunities and conditions and for those that are created by the environment. How these opportunities will be seized depends primarily on the institutional environment of the area and its attitude towards development. On the one hand, formal institutions involved in the operation of territorial units and their development activities in

the existing legal system should be taken into account. On the other hand, what should be considered is also informal institutions such as tradition, established behavioural patterns, value system, and the like [Wilkin 2016]. Both groups of institutions are important, so they should be mutually reinforcing stimulants of development (e.g. a value system fostering entrepreneurial activities undertaken by municipal authorities).

THE STARA BŁOTNICA MUNICIPALITY DEVELOPMENT STRATEGY

The preparation of the strategy of the examined municipality commenced with the SWOT analysis defining the conditions for the functioning and development of municipalities and forming the basis for individual strategic provisions. Along these lines, a mission was devised for 2004–2019, reading: “The Municipality of Stara Błotnica is environmentally clean and oriented towards food production using environmentally friendly methods. The Municipality also develops small and medium-size enterprises providing jobs outside agriculture. Social and technical infrastructure fully meets the needs of its inhabitants. Stara Błotnica is a safe municipality that eagerly welcomes pilgrims visiting the Shrine” [Urząd Gminy Stara Błotnica 2004]. The mission was worded similarly in the Development Programme for 2015–2020, indicating that “The Municipality of Stara Błotnica aims to create opportunities for its inhabitants to develop on a multi-faceted basis by making full use of its potential. This development will concern both the social sphere (through enhancing the quality of public services, the aesthetics of the environment and conditions for various forms of activity) and the economic sphere (through ensuring an attractive investment offer enriching the local labour market)” [Urząd Gminy Stara Błotnica 2015].

The mission as the main objective of the strategy was elemental for defining strategic goals as presented in the table. In both cases, the mission was formulated broadly, descriptively specifying the character of the municipality and the lines for action. Actually, it is the information about the municipality indicating the basic branch of activity: agriculture and additional non-agricultural activities. It is simultaneously a declaration that the municipality cares about the living

and working conditions of its inhabitants through the development of infrastructure and intellectual capital. Strategic goals were worded in a similar manner and were largely declarative, especially in the first document. They target the essential spheres of the municipality's functioning, namely the economic, social and environmental spheres where conditions are planned to be created for their better performance through development, education and promotion.

The spheres addressed by strategic goals do not raise any objections as they result from the SWOT analysis pointing out the need for restructuring and development as well as solving problems that have accumulated for years, relating, in particular, to the improvement of the population's income and living and working conditions. Accordingly, a reference is made to multifunctional development combined with the development of infrastructure and human capital. The defined strategic goals of Stara Błotnica have a different status and meaning for the municipality, as reflected in individual more specific programmes, including [Urząd Gminy Stara Błotnica 2004]:

1. *Agricultural development programme* that assumes increased attractiveness of agricultural crop range through the establishment of specialised farms, farms producing "healthy food", ecotourism farms, etc. To this end, the following goals were set: to prepare a report on the condition of farms and the system of agricultural restructuring, to make an analysis of the potential for establishing producer groups and to promote them, to organise training and specialist consultancy on increasing the competitiveness and profitability of farms in the municipality.
2. *Processing sector development programme* involving the establishment of processing plants using crops from the municipality and the development of the economic sector supporting agriculture. A system supporting processing activities and services for agriculture was meant to be developed for that purpose. In addition, these initiatives were to be supported by the municipal government through subsidies and allowances as well as training and consultancy in this field.
3. *Forest protection and afforestation programme* that will improve soil water regime and increase the municipality's attractiveness to tourists. Therefore, a provision was made for the development of afforestation schedules, including the withdrawal of the lowest-class soils and wasteland from agricultural use.
4. *Support programme for local pro-environmental initiatives* that raise the quality of the natural environment. Accordingly, the goal was to conceive a support plan for social pro-environmental initiatives in the municipality and to ensure that local authorities provide financial assistance for initiatives and related cooperation, as well as to offer advice on substantive matters and promote and inform about these projects.
5. *Programme for the use of nature for tourism development*, assuming the design of a project for the development of pilgrimage tourism and active recreation together with related accommodation and catering facilities, including agrotourist farms. Moreover, the need to promote the municipal tourist and agrotourist offer was indicated.

Table. Strategic goals in Stara Błotnica in 2004–2020

2004–2019	2015–2020
Stara Błotnica – agricultural and environmentally friendly municipality	To increase the quality of life of inhabitants: – to develop human and social capital – to expand and strengthen the social sphere – to develop the recreation base and culture
To improve the standard of living in Stara Błotnica	To expand and modernise technical, including energy, infrastructure
To use municipal assets for the development of entrepreneurship and tourism	Economic development: – to create conditions for economic development – to promote the municipality

Source: Own elaboration on the basis of Urząd Gminy Stara Błotnica [2004, 2015].

6. *Programme for preparing land for investment*, beginning with the analysis of the investment land currently owned by the municipality and obtainable in the future through preparing a schedule for the development of new plots for investment, and ending with the establishment of a system for informing potential buyers about the municipality's offer and its promotion.

7. *Programme for obtaining funds for the municipality development*, as the strategic goals cannot be achieved in the assumed timeframe solely with the funds from the municipality's budget. Therefore, it was planned to set up a team for obtaining external funds for the municipality development that would prepare applications for funds, in particular aid funds.

The above and other programmes cover the overall functioning of the municipality and indicate the lines for its actions. The elemental instruments for the implementation of adopted strategic goals primarily include drawn up reports and support plans, followed by advice, information and promotion. Other instruments involve subsidies and allowances in the implementation of supported projects (e.g. processing or afforestation). A range of funding sources was foreseen for the development strategy, from budgetary funds, through money from various the EU programmes and funds, to private financial resources. It should be emphasised that the studied municipality does not have sufficient own resources, hence the programme to raise funds for the municipality development was a good solution. However, raising money for development investment from external sources cannot rely only on applications for funds from the EU programmes given the constraint which is the municipality's inability to provide its own contribution. Thus, private capital and optimised asset management should be considered, as noted in recent years [Urząd Gminy Stara Błotnica 2015].

The adopted strategic programmes of Stara Błotnica result, as already mentioned, from the SWOT analysis and indicate the problems to be solved that are contained in the operational goals defined as follows [Urząd Gminy Stara Błotnica 2004]:

- development of eco-friendly agriculture and processing sector;
- economic development of the municipality;

- a municipality attractive to investors;
- tourism development;
- improved value of natural environment;
- expansion of technical infrastructure systems;
- a municipality with a strong social infrastructure base;
- a safe municipality;
- wide-scale promotion of the municipality.

The operational goals are worded succinctly, indicating in which areas the municipality will develop. These goals are essentially a repetition of the mission, but they adequately reflect the scope of municipal activities that complement one another, forming a relatively coherent agenda for its functioning.

DETERMINANTS ANALYSIS OF THE STARA BŁOTNICA LOCAL DEVELOPMENT STRATEGY

Local development strategies depend on a number of various internal and external factors with different impacts. When analysing strategic documents of Stara Błotnica, it can be concluded that the following factors had a decisive influence on the strategy.

The municipality's production resources

The mission and strategic goals of Stara Błotnica were defined following the SWOT strategic analysis, taking into account, in particular, the magnitude, uniqueness and the degree of exploitation of its production potential. Stara Błotnica is an agricultural municipality; therefore, further agricultural activities are proposed, yet with a greater focus on eco-friendly production methods. Such a choice was motivated by the possessed natural resources of a relatively high quality and with not severely degraded environment. In addition, given the location of the Marian Shrine in the municipality, the development of pilgrimage tourism was planned. Also in this case, a reference is made to usable resources – firstly, those associated with pilgrimages, secondly, with natural resources and thirdly, with an agrotourist base built in farms but primarily being an effect of rendering houses and farm buildings habitable.

Socio-economic policy

The next factor that had an impact on the development path of the studied municipality are the objectives and

development directions set forth in regional, national and international socio-economic and environmental policies that can be used at the local level. Strategic documents of Stara Błotnica refer chiefly to strategic documents of the Mazowieckie Voivodship, notably [Urząd Gminy Stara Błotnica 2015]:

- *Białobrzegi District Development Strategy for 2008–2018* (updated);
- *Development Strategy of the Mazowieckie Voivodship until 2020* (updated);
- *Development Strategy of the Mazowieckie Voivodship until 2030. Mazovia as an Innovative Region*.

It should be emphasised that the cited documents, in turn, result mainly from the socio-economic policy established at the EU and national levels, from *Europe 2020 – A strategy for smart, sustainable and inclusive growth*, through the *Strategy on Innovation and Efficiency of the Economy “Dynamic Poland 2020”*, to the *Rural Development Programme for 2014–2020* drawn up at the Ministry of Agriculture and Rural Development. At the same time, the issues included in strategic documents of Stara Błotnica are present in the *Local Community-Led Development Strategy 2014–2020* prepared by the Zapilicze Local Action Group, to which the municipality in question belongs. The integration of the objectives and directions of socio-economic, environmental, agricultural, rural policies in the local development strategy should be assessed positively. It means that it is well addressed and receives attention from the public. Different factors matter here, in particular clearly defined goals and directions but also implementation instruments such as aid and financial support programmes. In many municipalities, including the examined one, the financial factor might have been decisive for the choice of the lines for action, yet it confirms the accuracy and effectiveness of that choice.

Involvement of the local community

Strategic documents of Stara Błotnica indicate the local community involvement in their preparation. What should be pointed out here is, above all, the involvement of the municipal council, and then of people working in the municipal office and in various municipal institutions (also voluntarily, for example in the volunteer fire brigade). This activity was expressed,

among others, as participation of various community groups in strategic planning workshops discussing and assessing municipal development plans. Socialisation of the preparation of the municipal development strategy, notably the openness of municipal leaders and councillors to changes in its development orientations, should be assessed positively and the dissemination of such a model of local community involvement should be encouraged. It is true that this is not a common process, but there are good chances for it to be proliferated in accordance with the diffusion-of-innovations theory.

Fashion for certain activities and projects

When examining strategic plans of Stara Błotnica, it should be noted that its development goals are similar to those in other municipalities. First and foremost, this similarity can be spotted in the creation of new jobs through entrepreneurial activities, especially in non-agricultural sectors such as tourism. These activities are to be carried out through the use of innovation and in accordance with the principles of sustainable development. The adopted actions to be implemented in the studied municipality are, on the one hand, similar to those in other municipalities and, on the other, largely result from the objectives and directions of socio-economic policy. Such a combination should be welcome if resources are provided for their implementation. Unfortunately, this is not always the case, also in the examined municipality. For example, the tasks aimed at developing the tourist function of Stara Błotnica, notably pilgrimage tourism, have been fulfilled to a small extent. It should be added that all municipalities in Poland assume the development of the tourist function without considering who will take advantage of this base. This seems to be already noticed in the studied municipality, because more attention has been paid in recent years to the recreation of its inhabitants than to inbound tourism.

Financing strategic actions of the municipality

The implementation of strategic tasks largely depends on the abilities to finance them. In the municipality in question, such abilities are mostly potential (e.g. taxes), hence it is important to analyse the real possibilities of raising funds in individual periods, and

then to compare them with planned expenditure. Stara Błotnica's own financial resources were not (and are not) sufficient to fulfil adopted objectives and tasks, which is why the use of aid programmes and projects (especially the EU funds) and private investor funds is planned. The *Programme for obtaining funds for the municipality development* was simultaneously launched, with no spectacular effect, though. Most actions were carried out under programmes and projects financed from aid funds, whereas the attraction of private investors leaves much to be desired. The task of the municipal government policy is to create a climate for investment activities that will mobilise the local population and external investors to undertake further actions. To this end, the area should be promoted and information provided on possible activities of and help from local governments, on the one hand, with financial incentives (e.g. tax credits), land preparation and development for investment, easier acquisition of land, etc., on the other [Warczak 2015].

The five groups of factors presented above influenced the development strategy of the studied municipality and its directions. It should be highlighted that these determinants were closely interrelated, underpinning the actions adopted for the municipality development. Likewise, a number of other determinants of its development, such as the improvement of the quality of life of its inhabitants, actions for its social capital and the role of such capital in the municipality development, etc., were closely related to those discussed herein.

CONCLUSIONS

The analysis of strategic documents of Stara Błotnica indicates that:

- they were prepared in line with methodological assumptions, taking into account the resources, the current state of municipality development and the opinion of inhabitants;
- the basic determinants of the municipality's development path ensue from the actions that are consistent with the national and the EU socio-economic policies, as chosen by municipal leaders (and supporting administration);
- further determinants result from the adaptation of the municipality's policy orientations to the re-

quirements of the voivodship, district and local strategies for the exploitation of its production potential;

- the foundation for actions and the use of the municipality's resources is provided by its multifunctional development, on the one hand, and by sustainable development, on the other;
- only some sections of local communities (e.g. councillors) are strongly engaged, with no broader involvement of inhabitants that would foster the creation of social capital, thereby initiating entrepreneurial activities and contributing to their implementation;
- task performance requires financial outlays that exceed the municipality's budget, which might have proved to be a barrier to full implementation of the strategy;
- the strategy assumes too much optimism as a result of the fashion for the development of specific directions and their support and is not fully grounded in its implementation instruments;
- the strategic plan of 2015, compared to 2004, was better prepared, is more realistic, but many goals and tasks remain slogans that will be difficult to put into reality.

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UWARUNKOWANIA STRATEGII ROZWOJU LOKALNEGO

STRESZCZENIE

Celem artykułu jest określenie, na ile strategia rozwoju gminy jest podstawą jej procesów rozwojowych oraz co warunkuje tę strategię i procesy rozwojowe na szczeblu lokalnym. Na treść artykułu składają się następujące zagadnienia: istota i cele strategii rozwoju lokalnego, charakterystyka strategii rozwoju w gminie Stara Błotnica (województwo mazowieckie) oraz analiza uwarunkowań rozwoju lokalnego badanej gminy. Z przeprowadzonych rozważań wynika m.in. to, że podstawą działań i wykorzystania zasobów badanej gminy są z jednej strony jej wielofunkcyjny rozwój, a z drugiej – zrównoważony rozwój. Oba te czynniki są uwarunkowane zasobami gminy i wsparciem finansowym z różnego rodzaju funduszy pomocowych, zwłaszcza unijnych. Kierunki rozwoju gminy są zgodne z realizowaną polityką społeczno-ekonomiczną przez wyższe szczeble, tj. Unię Europejską, Polskę, województwo mazowieckie i powiat białobrzeski. Realizacja zadań wymaga nakładów finansowych przekraczających możliwości budżetu gminy, co okazało się barierą pełnego wdrożenia strategii. Artykuł przygotowano na podstawie literatury przedmiotu oraz dokumentów i materiałów dotyczących gminy Stara Błotnica (województwo mazowieckie).

Słowa kluczowe: gmina, strategia, rozwój, uwarunkowania