

ZYGMUNT ZIOBROWSKI

THE INFLUENCE OF EXTERNAL URBAN CENTRES ON THE COMPETITIVENESS OF POLISH SPACE

1. Methodological Approach

Competitiveness can be considered on many aspects:

- competitiveness as a permanent dominance in accessibility to financial means, attracting of external investors, stabilisation of capital in the region, location of prestige institutions and organisation of international events,
- competitiveness as a permanent competition to such socio-economic development which guarantee high quality of life,
- competitiveness as an ability to animation and utilisation of human potentials.

The competitiveness of external centres to Polish agglomerations has been assessed and described with the use of a set of indicators. In the initial phase we have established data availability and gathered the information allowing us to establish the value of competitiveness indicators, ordered them and correlate with particular bipolar systems. Next, based on the value of indicators some most competitive external centres has been selected and thus their activities which can be most influence. Moreover some recommendation driven to increase of competitiveness of polish agglomeration have been formulated.

At the beginning forming the list of indicators allowing to established the competitiveness of external urban centres two groups of them have been selected. One of them characterise the potentiality of competitiveness, second one – the power of competitive expansion. That group of indicators reflect the connections and influence of both external and polish agglomerations.

Particular indicators have been systemised according features which describe the functionality of the agglomerations. It means:

- accessibility from abroad by roads, rail, air and in case of coastal agglomeration by sea transport, therefore the connections between external and Polish agglomerations on these fields,
- range of agglomeration expressed by number of international public organisations and diplomatic (official foreign) institutions, number of beds in the hotels, number of high schools, students (among them foreign students), number of scientific personal staff, value of gross domestic product (GPD), value of public treasure and number of financial institutions,
- attractiveness for investment expressed by same of foreign capital investment and amount of public budget for investment,
- level of development sustainability measured by share of the unemployed and number of people embracing by social care.

In the initial phase of elaboration we formulate the vast set of indicators which have to be verified after we receive the answer of our questionnaire and after we recognised the data availability. We assumed now that better is to establish the full system of indicators even though data illustrated them are not available. Lack of data will constantly be supplemented. After data completion we concluded that it is easier to gather data for indicators illustrating the potentiality and a bit difficult – data for indicators illustrating the expansion.

2. Identification of Competitive External Centres

Identifying an external agglomeration competitive to Polish one we selected for analysis those which are situated not to far and cumulate comparable potential of activities and is a high probability of competitive influence. It refer to the large cities of western and central Europe situated not far from Poland (Berlin, Vienna, Budapest) supplemented by two groups of medium size cities. One of them embrace the cities mostly around the Baltic Basin. Second one embrace the cities situated on the west of Poland like the main cities of Ukraine, Byelorussia and Lithuania which can be an influence on the “Eastern zone”.

The main criteria of external centres selection which may affect Polish space has been packed into two groups. Within first group there are criteries describing some or comparable social and economic potential. In the second group we can find criteria geographical position and location.

Initially amount of external centres has been selected to which probability of competition is observed. Further some of them has been combined with particular bipolar zone and centres:

- For southern zone: Cracow (740,666 inh.) – Katowice (345,934 inh.) as potentially competitive has been recognised: Vienna (1,630,000 inh.), Budapest (1,861,000 inh.), Brno (385,202 inh.), Bratislava (481,000 inh.).
- For western zone: Poznań (578,23 inh.) – Wrocław (637,877 inh.) as potentially competitive has been recognised: Berlin (3,386,667 inh.), Dresden (471,133 inh.), Leipzig (493,153 inh.) and Prague (1,200,455 inh.).
- For eastern zone: Białystok (283,937 inh.) – Lublin (356,251 inh.) as potentially competitive has been recognised: Vilnius (580,000 inh.), Minsk (1,717,000 inh.) and Lviv (788,000 inh.).
- For northern zone: Gdansk (458,988 inh.) – Stetin (416,988 inh.) as potentially competitive has been recognised: Hamburg (1,704,700 inh.), Copenhagen (488,000 inh.), Göteborg (464 035 inh.), Stockholm (727,000 inh.), Rostock (200,633 inh.) and Lubeka (214,327 inh.).
- For central zone: Warsaw (1,618,468 inh.) – Łódź (806,728 inh.) as potentially competitive has been recognised: capitals of neighbour countries with population above one million inh. like Berlin, Vienna, Budapest, Prague, Kiev and Minsk.

3. Evaluation of the Competitiveness of External Centres with Respect to Polish Agglomerations

The competitiveness of external centres with respect to Polish agglomerations, being the object of this study, is quite diverse. By far, the most competitive are the external centres being capital cities. Among the 18 centres subjected to analysis, as many as 10 hold such a status. The degree of competitiveness is diverse, depending on size, as well as social and economic potentials.

The urban complex that is the most competitive with respect to the Polish urban space is that of Berlin. Its competitive edge should be considered in two aspects.

The first one relates to competitiveness at the international level and refers to the cities whose impact is effected on whole countries and beyond. The only Polish centre that has a chance to compete effectively at that level is Warsaw. However, for such competition to be effective, we should promptly improve access to Warsaw by road, increase the number of fast railway connections, increase the standard and number of hotel rooms,

improve financial services and streamline the city and agglomeration management systems. Such activities, together with augmentation of capital expenditures allocated for transport and technical infrastructure, maintenance of the high level of tertiary education and science, as well as facilitation of administrative procedures concerning capital projects, should lead to an increase of Warsaw's competitive edge on a European scale.

The second aspect of Berlin's competitiveness relates to the actual influence of its agglomeration on the Polish territory in its western and northern areas, including especially the development of Wrocław, Poznań and Stetin. The main influence towards those directions consists of social and economic issues, while its force is increased by close distance between Berlin and those cities that are located at the main transportation routes in that part of Europe. We should also take into account the situation that the Berlin agglomeration, due at least to a higher level of salaries, may start to attract a fairly high scientific capacity and highly qualified specialists living in Polish cities. Thus, the managers of the Wrocław, Poznań and Stetin agglomerations are faced with a great challenge that may result in further intensification of activities intended for strengthening their capacities by creating more and more attractive jobs and improving living conditions. In favourable conditions, the proximity of Berlin and better connections between those cities and Warsaw, may become the factors that will facilitate the development of Wrocław, Poznań and Stetin, especially as regional centres located on the margins of the territories affected by that two large European metropolies.

Another competition level is shaped by three capital-city areas: Vienna, Prague and Budapest. That kind of competition can be considered only in international terms, or between those capital cities. In this respect, the competitive edge of Warsaw is well visible. However, in order to maintain it, or even increase, it will be necessary to take the actions specified above when we discussed the need to increase the competitiveness of Warsaw with respect to Berlin.

The influence of the Vienna urban complex on the southern zone results to a large extent from historical conditions. Main tendencies concentrate on the Vienna-Cracow line, primarily in tourism, culture and science. Our priorities should include regular increase of tourist service standards, improvement of education level and conditions and intention to expand international contacts in science and culture.

Another group of external capital-city centres includes Bratislava, Minsk, Kiev and Vilnius. Their competitive edge is the lowest. And they do not affect directly the Polish agglomerations. However, special atten-

tion should be paid to two of them. The first one is Kiev, with its social and economic potentials, which can start to compete effectively with Warsaw on an international level once Eastern European markets become more open. And the other one is Vilnius that may affect the Białystok agglomeration due to historical reasons, but only after international relations become more flexible.

There are eight more cities, but their significance is rather regional. Their impact areas are limited to their countries. However, they represent some functions in which they can compete with Polish cities, mainly in attracting investors and fulfilling specific functions on the European market, e.g. those relating to organisation of fairs, or tourist events, or innovation centres.

First, we mean here certain German cities whose competitiveness was earlier determined with respect to the western territories: Leipzig and Dresden. The former has good grounds for effective competition with Poznań in the area of international fairs and exhibitions on a European scale. The latter may pose essential competition to Wrocław in the area of attracting investors who would like to develop certain branches of economy based on a fairly high scientific capacity and a beneficial location within the settlement network of Central Europe. Both agglomerations are parts of an important transportation route, although Dresden is located closer to investment capital sources, while Wrocław is better placed with respect to potential markets.

The third external centre, being an object of this study, is Brno. Its competitive edge with respect to the Polish southern territories, including mainly Katowice, results from the fact that Brno is a significant Czech industrial centre with its own scientific and technical resources. Katowice, however, enjoying huge business and industrial resource, is facing many problems regarding restructuring of old industries, and that may reduce the competitiveness of the Polish city complex. We should mention another function of Brno, supporting its industrial potential, namely its trading exhibition operations.

The fourth external centre is Lviv. In the first stage of our studies, we shared hesitation whether Lviv could be analysed in the context of Polish southern territories (for historical reasons), or rather eastern ones (for geographical reasons). Finally, the latter option was chosen, and that choice was right. We should in fact expect that, in the near future, Lviv will be competitive for Lublin rather than for Cracow. That may be demonstrated especially in the case of a wider opening of the large Ukrainian market to cooperation with Europe. The Lublin's opportunity

lie in the fact that if the unstable condition of the Ukrainian economy is maintained, and the borders of the European Union are moved to the eastern borders of Poland, Lublin will be located on the easternmost territories of EU. Nevertheless, Lviv will be able to increase its competitiveness if the concept of extending European railway lines from Przemyśl to Lviv is implemented and Lviv turns out to be a large hub for passengers travelling farther to western Ukraine and southern Belarus.

The competitiveness of external centres with respect to the Polish northern territories is of different nature than it was the case of other areas. We should consider it in the context of main functions of such centres, including sea port operations, and, for that reason, Hamburg is beyond any competition. Its comfortable location on the Northern Sea with respect to ports on the Baltic coast makes its situation truly privileged. Even presently, freight that could be reloaded from Polish sea ports, as it originates from the countries that do not have access to sea, or even that from southern Poland, is drained to Hamburg, as a result of existence of main railway lines, with container terminals serving the Hamburg port. Consequently, freight finds its way by railway to Hamburg rather than to other ports.

Also, the competitive edge of Copenhagen is fairly high. That city enjoys additional benefit of being a capital city, with excellent connections with southern Sweden. As to two other external ports, Stockholm and Göteborg, the former being a capital city, Polish sea port agglomerations may realistically compete with them. Our benefit is good location (especially in the case of Stetin) and the option to forward some freight originating from those countries of Eastern and Central Europe that do not have access to sea. A very specific competition is developing between Polish sea centres and two other German ports, Luebeck and Rostock. Although the competition indicators demonstrate a good position of Polish centres, the larger German economic potential and the good location of the German ports on the Baltic Sea may cause expansion of those two cities, especially in the area of transportation of freight and people between Germany and the ports of Denmark and other Scandinavian countries.

In conclusion, we should say that this is not a complete evaluation of competitiveness posed to Polish agglomerations by external centres. Due to external circumstances, we have discussed only selected aspects. What is especially missing is a lack of comparisons regarding the operation of transportation and infrastructure system in particular cities, the level of higher-level services, the quality of public space, the efficiency of management system, the economic condition, or the operation of real-estate markets. Such considerations, with extension of analysis to

a larger number of cities, would give us a better answer to our question. However, it is a task that can be performed in a comprehensive manner only under a separate project dedicated exclusively to this issue.

4. Consequences of the Competitiveness of External Centres with Respect to Polish Urban Complexes

The consequences of such a competition will depend on how the boundaries of united Europe will look like in the near future. Most probably, the shift of boundaries to the Polish eastern frontier may temporarily weaken the competitive effect of Lviv, Minsk and Vilnius on the Polish eastern territories. That situation may be radically changed by the extension of European railway lines to those cities, the project being considered by the interested cities, and making them large transportation hubs for the inhabitants of Ukraine, Belarus and Lithuania on their way to Europe across Poland.

The opening of the Polish western border will increase the power and influence of Berlin on the territory of Poland, threatening the attractiveness of Poznań, Wrocław and Stetin and creating a serious challenge to those cities. Their location on the margins of the zones affected by two capital-city metropolitan areas (Berlin and Warsaw) may become a factor that activates those cities as strong regional centres.

In this context, we should also expect increased competition of Dresden and Leipzig with respect to Poznań and Wrocław, as well as of Luebeck and Rostock with respect to Gdańsk and Stetin. As a result of such competition, the significance of those Polish cities may be reduced in some areas of their operation. In the case of Poznań, we mean its function as an international and domestic trade fair centre, and in the case of Wrocław, its role of a cultural, economic and scientific centre. However, in the case of Gdańsk and Stetin, their sea port functions can be threatened in those particular locations on the Baltic Sea coast.

5. Proposed Activities for Increasing the Competitiveness with Respect to External Centres

The increase of competitiveness of Polish cities will be possible by strengthening activities and effectiveness of operations in five main areas:

- strengthening cooperation of the cities creating bipolar system,
- improvement of legal solutions,
- selecting capital investment priorities meant for increasing competitiveness,
- promoting marketing operation of selected cities,
- dissemination of information on external competitors.

The cooperation between the cities that create bipolar system, being directed towards the increase of competitiveness, is extremely important. Starting such cooperation will cause reduction of competitive conduct between the respective cities, with strengthening of integration operations oriented for competing rather with external zones and centres. First of all, this proposal concerns such closely located metropolitan areas as Kraków and Upper Silesia (Katowice), or Warsaw and Łódź, whose joint potentials reach 4-4.5 million population each. Such strong capacities creating related cultural and economic values may compete more effectively with external centres. Other bipolar system, independently of their internal cooperation oriented on the increase of competitiveness with external centres, should also concentrate on increasing the specific area attractiveness and potential, e.g. in the coastal area, or the eastern territories.

Improvement of legal system is necessary for the coordination of bipolar system development, including also other spatial system.

The necessary condition for a coordinated development of bipolar growth system is the introduction of laws designated for supporting such system on the background of the general concept of national development.

According to the provisions of the law concerning the principles of supporting regional development, such new solutions will be taken into consideration in the nation-wide regional development strategy, followed by specific support projects and regional contracts. They will also find their place in the planning studies at lower levels, i.e. in regions, communes, or commune groups, made on the basis of the law concerning physical planning and development.

Such provisions regarding bipolar system development should be supplemented by modified support programmes approved by a Regulation of the Council of Ministers. Those modifications will consist of small changes and a different emphasis on certain priorities, being more specific than those included in the nation-wide regional development strategy.

The legislative requirements presented above will create conditions for coordination of bipolar centre development, and they are recommended by the authors of this study.

In order to ensure a sustainable development of large cities that fulfil and will continue to do so, the role of growth centres, affecting the development of their regions, it is indispensable to start activities meant for integration of metropolitan areas, also with respect to administrative functions, and establish uniform territorial organisations on such areas.

Another important direction of the activities meant for increasing competitiveness is to adopt capital investment priorities in the areas of air, road and railway transportation (highways and TGV), power engineering, telecommunications and infrastructure for innovation, within the framework of regional development support.

The factor that will stimulate the regional development of the country will be aid funds channelled by the European Union. The convergence of domestic support programmes with the EU priorities will facilitate the acquisition of funds from the EU budget.

An important role in increasing the competitive edge of Polish cities may be played by professional promotion of their attractiveness for business and investment purposes. It is an important segment of operations by local governments, specialist government agencies and media.

Proper orientation of selected activities will not be possible without identification of the assets of those cities that are competitors of the Polish cities. That is connected with a better access to information and continuation of the current research, including that under the present grant.