

Policies and strategies in Poznan

How to enhance the city's competitiveness

ISBN 978-94-90312-32-9

Printed in the Netherlands by Xerox Service Center, Amsterdam

Edition: 2010

Cartography lay-out and cover: Puikang Chan, AISSR, University of Amsterdam

All publications in this series are published on the ACRE-website
<http://www.acre.socsci.uva.nl> and most are available on paper at:

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Policies and strategies in Poznan

How to enhance the city's competitiveness

ACRE report 10.8

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Accommodating Creative Knowledge – Competitiveness of European Metropolitan
Regions within the Enlarged Union

Amsterdam 2010
AISSR, University of Amsterdam

ACRE

ACRE is an acronym of the international research project ‘Accommodating Creative Knowledge – Competitiveness of European Metropolitan Regions within the Enlarged Union’.

The project is funded under the Priority 7 ‘Citizens and Governance in a Knowledge-based Society’ within the Sixth Framework Programme of the European Union (contract no 028270).

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Table of contents

| | |
|--|-----------|
| Executive summary | 1 |
| 1 General introduction | 5 |
| 2 Theoretical background | 7 |
| 2.1 Refinement of the ACRE theoretical framework..... | 7 |
| 2.1.1 Revisiting Florida’s thesis on the mobility of the creative class and the role of ‘soft’ factors..... | 7 |
| 2.1.2 Some elements of the debate on urban competitiveness..... | 9 |
| 2.2 Governance approaches and methodology | 11 |
| 3 Characteristics of the research area | 15 |
| 3.1 Economic profile of the Poznan metropolitan region (PMR)..... | 15 |
| 3.2 Creative knowledge sector in the PMR | 18 |
| 3.2.1 Dynamics and the geographical pattern of the creative knowledge sector | 18 |
| 3.2.2 Creative industries | 20 |
| 3.2.3 Knowledge-intensive industries..... | 23 |
| 3.3 Main ‘hard’ and ‘soft’ location factors influencing the decision-making in the creative knowledge sector | 25 |
| 3.4 Attractiveness of the city region in terms of different location factors..... | 26 |
| 4 Development policies and strategies in Poznan and the Poznan Metropolitan Region | 29 |
| 4.1 International references..... | 29 |
| 4.2 National documents | 29 |
| 4.3 The act concerning Poland’s urban policy and co-operation of territorial government units in this field | 32 |
| 4.4 Regional documents (Wielkopolska voivodeship) | 34 |
| 4.5 Urban policy | 36 |
| 4.6 Towards the development strategy of the Poznan agglomeration | 39 |
| 5 Institutional structure and governance arrangements | 41 |
| 5.1 Key stakeholders in economic development policy..... | 41 |
| 5.2 Types of interaction between stakeholders | 43 |
| 5.2.1 Co-operation of local governments..... | 44 |
| 5.2.2 Co-operation with the economic sector | 46 |
| 5.2.3 Co-operation between local administration and social organisations..... | 47 |
| 5.2.4 Knowledge-based governance | 49 |
| 6 Critical evaluation of strategies and policies | 51 |
| 6.1 Debates and public controversies over current policies and strategies | 51 |
| 6.1.1 Analysis of press documents..... | 51 |
| 6.1.2 Assessment based on semi-structured interviews | 55 |
| 6.2 Confrontation with the results of the earlier ACRE surveys | 63 |
| 6.2.1 Graduates and employees | 63 |
| 6.2.2 Managers..... | 65 |
| 6.2.3 Transnational migrants..... | 67 |

| | | |
|----------|---|-----------|
| 7 | Conclusions and discussion | 69 |
| | References | 73 |

EXECUTIVE SUMMARY

Policies and strategies are a crucial factor which can enhance both the development of a creative knowledge sector and the competitiveness of cities and metropolitan regions. At this stage of the ACRE project (WP 10), the results of the statistical research and surveys carried out as well as three synthetic reports have served as a basis for confronting the policies and strategies applied with actual dynamics in the regions involved.

The objective of this report is to analyse the current strategic policy documents and visions of local and regional governments, and to assess the policies and strategies on the basis of debates going on in the public media as well as opinions of experts on the topic, including people responsible for the functioning of the urban governance system. The points of interest for this analysis are:

- What do policy makers perceive as the most relevant strengths and weaknesses of their metropolitan regions in terms of international competitiveness?
- To what extent do local and regional governments want to build on existing regional strengths, and to what extent do they look for new strengths deriving from economic specialisation?
- To what extent are the economic development strategies and visions embedded in broader urban development strategies and visions? Are economic development policies connected with regional spatial development policies, housing market policies and/or policies to attract and cater for the desired ‘talent pool’?
- What is the role of ‘soft’ location factors in metropolitan economic development strategies when compared with the more traditional ‘hard’ location factors?
- What is the role of creativity, innovation and knowledge in the metropolitan economic development strategies and visions?
- Do the metropolitan economic development strategies specifically address the conditions for attracting an international skilled labour force?
- To what extent can we speak of an integrated regional strategy, and at what geographic and administrative level?

The present competitive position of Poznan, like that of other post-socialist cities in East-Central Europe, is still a consequence of the former command system which downplayed, by its very essence (e.g. the state monopoly and directive top-down regulations), the importance of competitiveness and creativity in the development paths of both, entire national economies and societies as well as particular cities and metropolitan regions. As a result, the development of the creative knowledge sector lags behind that in the West-European cities, and so do the policies and strategies applied.

Considering the period from the beginning of the systemic transition (1990), current urban policy reflects Poznan's development stages in transforming its substantive, economic and social spheres. By contrast to many western cities, 20 years ago the problems of the city and its surrounding communes were first of all immense property transformations, working out new land-use, fiscal and spatial policies, restructuring of the entire economy, from the production sector to services, and making up for delays in technical and social infrastructure, i.e. processes closely connected with the creation of the city's new economic base and the improvement of its inhabitants' quality of life. This was taking place in a period of rebirth of the real local self-government and the creation of the basis for civil society. In the face of this abundance of tasks, urban policy could not perforce be coherent and long-term, and its instruments did not always comply with the best standards of West-European countries. Also influential were external factors, such as weak and frequently changing legal regulations, political struggle at the central level, and fluctuations in the process of power decentralisation. Moreover, urban policy of the recent years has been influenced by financial aid from the pre-accession and then EU Structural Funds, the major beneficiaries of which are dedicated projects, mainly those for the improvement of urban infrastructure.

The major drawbacks of Poznan's urban policy in the recent years have been:

- a sectoral character of actions focused on solving problems in specific spheres of socio-economic life (e.g. public transport, health care, public security, environmental protection, attracting investors, stimulating entrepreneurship),
- a multiplicity of strategic and planning documents which define similar objectives while not always equipped with concrete instruments to achieve them,
- lack of a common development policy of the city and its agglomeration/metropolitan region, and
- a multiplicity of decision-making entities in the field of city activities (local commune and poviát authorities, voivodeship authorities of a dual central-government and regional self-government character).

As a consequence of the above-mentioned limitations, there was no spatially and functionally coherent policy oriented towards the building of the creative sector in the city and its region.

The infrastructural gap and relatively low wages make 'hard' location factors still very important, which is also reflected in the opinions of workers and managers of creative and knowledge-intensive industries. Hence no wonder that in urban strategies and policies adopted at the turn of the 21st century the deficiencies in 'hard' factors were emphasised very strongly, whereas the role of 'soft' factors was downplayed.

Advancing internationalisation, growing networking, the transfer of good practices of foreign partners, and first of all Poland's joining the EU were significant incentives which began to change this unfavourable situation. As a consequence, the approaches to policies and strategies of urban development are gradually changing too. One should mention here that these changes are more advanced at the local level than at the national one.

The present-day philosophy of the development of Poznan involves such elements as the creative sector, knowledge-based economy, and innovative sectors based on highly-developed human capital and advanced technologies. Their implementation should determine the directions of urban policy in the nearest future. One can only hope that this will indeed happen, because strategic documents announcing innovative projects have not come into force yet and their adoption is not certain at this moment.

The local authorities seem to play a significant role in determining directions, seeking external funds, co-ordinating activities of various public and private entities, generating an atmosphere of creativity and entrepreneurship, initiating and supporting concrete creative activities (both business-related as well as social ones) and most of all, the movement of non-governmental organisations, which has been developing at a large scale. It is mainly thanks to those organisations (via their wide-ranging criticism of the local authority in various, mostly electronic, media) that the control of development of the city and its suburban area has been increasingly transparent and closer to the inhabitants' expectations. As mentioned earlier, the more innovative attitude towards city and PMR management displayed in the new strategic documents is also a consequence of the internationalisation process. It is an effect of making good use of the experiences of other cities and metropolitan areas (Hannover, Stuttgart, Manchester, Helsinki, Barcelona) as well as establishing international contacts, among others by such research projects as ACRE.

Poznan, according to the city's new development strategy and thanks to newly-implemented policies and programmes, is to become "a metropolitan city with a strong economy and a high quality of life which relies for its development on knowledge" (Poznan President's statement on a municipal Internet portal, announcing the discussion of a project of the new Development Strategy of Poznan City up to 2030). This development is to be supported by its immediate functional hinterland, viz. the suburban zone growing in demographic and economic strength. Through stronger infrastructural, communications and functional connections with the central city, the dynamically developing suburban zone can receive not only basic services and land- and work-intensive economic sectors, but also selected services of a higher rank (educational, recreational, sports, commercial), and soon also those of a metropolitan character (technology centres, transport hubs).

In answering the questions presented at the beginning of this chapter, the results of our research can be summarised as follows.

1. In the opinions of policy makers, the strengths of the Poznan metropolitan region (PMR) in terms of international competitiveness include:
 - diversification of the economic profile with a dominating service sector and the balanced growth potential (also in demographic terms),
 - efficient institutions and well-managed city finance,
 - success in attracting foreign direct investment,
 - historically developed features of human capital: entrepreneurship and high work standards,
 - a high quality of life (in comparison with other Polish metropolises),
 - a recognised quality of higher education (with its 214 students per 1,000 inhabitants, Poznan ranks first among the largest Polish cities),
 - a rich cultural milieu (especially music and dance), and

- availability of attractive housing.

In turn, among the city's weaknesses they list the following:

- in comparison with the biggest European cities, Poznan's metropolitan functions are not fully formed yet,
 - Poznan's location halfway between Warsaw and Berlin puts the city under strong competitive pressure from those two capitals,
 - inadequate promotion of the city's image (including its cultural assets),
 - deficient air connections,
 - the discontinuity of the city's development path and its inability to keep up with global processes under the communist system (as in the other cities of the Eastern bloc) still seriously hinder accommodating creative knowledge.
2. The local and regional governments want to build the strengths of the PMR on both, its existing assets (such as traditions of entrepreneurship, the role of small and medium-sized enterprises, family networks) and new economic specialisation (an ICT cluster or a design centre).
 3. There is still no cohesion among the various policies and development strategies. There are, however, signs of improvement in this matter, like efforts to integrate the city and its suburban zone as well as to attract a 'talent pool' (e.g. by the creation of academic incubators or a system of grants and scholarships).
 4. Although 'hard' location factors predominate in the existing metropolitan economic development strategies, projects of new strategies for the city and the metropolitan region assume a growing importance of 'soft' factors. This trend seems to be gathering strength. The same refers to the role of creativity, innovation and knowledge.
 5. The policies and strategies do not explicitly promote any specific measures for attracting an international skilled labour force. When answering the question of how far Poznan can rely on its own human resources and to what extent it will have to resort to external support, it seems that in the existing conditions (especially the material and financial ones), the region should better not count on a mass inflow of exceptionally creative individuals. Therefore the policies and strategies stress the role of the education of young people, a search for regional and local talents, raising the level of teaching and the research conducted, and better use of the existing potential. In the light of the results of our study, more emphasis should be put on how to keep Poznan-educated young, creative people in the PMR. A good strategy is also inviting eminent scholars and artists to give lectures and conduct seminars, workshops, etc. (financed by the city). Naturally, those priorities cannot mean the abandonment of measures intended to attract investment and talent from outside.
 6. Making policies and strategies coherent and integrated at the local (city, communes), regional (voivodeship) and national levels is the biggest challenge for the future.

1 GENERAL INTRODUCTION

The objective of this report is on the one hand to analyse the current strategic policy documents and visions of local and regional governments, and on the other hand to assess the policies and strategies on the basis of on-going debates in public media as well as opinions of experts on the topic, including people responsible for the functioning of the urban governance system. On the basis of the outcomes of the statistical research and surveys carried out as well as the three synthetic reports written, current policies and strategies are confronted with the actual dynamics in the regions involved. The points of interest for this analysis are:

- What do policy makers perceive as the most relevant strengths and weaknesses of their metropolitan regions in terms of international competitiveness?
- To what extent do local and regional governments of the regions want to build on existing regional strengths, and to what extent do they look for new strengths in economic specialisation?
- To what extent are the economic development strategies and visions embedded in broader urban development strategies and visions? Are economic development policies connected with regional spatial development policies, housing market policies and/or policies to attract and cater for the desired ‘talent pool’?
- What is the role of ‘soft’ location factors in metropolitan economic development strategies when compared with the more traditional, ‘hard’ location factors?
- What is the role of creativity, innovation and knowledge in the metropolitan economic development strategies and visions?
- Do the metropolitan economic development strategies specifically address conditions for attracting an international skilled labour force?
- To what extent can we speak of an integrated regional strategy, and at what geographic and administrative level?

The methodology of work includes: 1) the formulation of the theoretical background based on relevant literature; 2) an analysis of policy-related documents; 3) the identification of institutional structures, key stakeholders, governance arrangements and policy networks; 4) an evaluation of strategies and policies applied, based on the analysis of press materials and semi-structured interviews with the key players in the development of those policies; and 5) confrontation with the results of earlier surveys.

2 THEORETICAL BACKGROUND¹

2.1 Refinement of the ACRE theoretical framework

WP1 has acknowledged that many authors have come to the conclusion that “creativity plays an outstanding role in urban and regional development” and recognised “the increasing coming together and co-mingling of technological innovation, cultural creativity and governance as the driving force of urban development in the 21st century” (Musterd et al. 2007: 6). In relation to urban competitiveness theories, at least two important interrelated ideas - mostly supported by Richard Florida - have been explored. The first suggests that policies should concentrate on their attractiveness to individuals rather than to companies. As a consequence, cities should strive to improve the urban atmosphere – e.g. by increasing their openness and tolerance – and pay much less attention to the classical ‘hard’ location factors.

The ACRE analytical framework has been refined over the course of the work. In the light of our empirical results, we are now able to revisit Florida’s thesis on the mobility of people composing the ‘creative class’ and on the motives of their decision to live in a city (2.1.1). Statements about the difference between ‘hard’ and ‘soft’ factors, creative and knowledge workers, and above all the relatively trivial expectations of the respondents are used as first elements of the debate about urban competitiveness and governance (2.1.2).

2.1.1 *Revisiting Florida’s thesis on the mobility of the creative class and the role of ‘soft’ factors*

One of the objectives of the ACRE programme was to test Florida’s hypothesis about the mobility of highly skilled creative knowledge workers. According to the author of the ‘*Rise of the creative class*’ (2001), those people would be increasingly attracted by places combining high levels of technology, talent and tolerance. In other words, the classical ‘hard’ location factors would lose importance compared with ever better appreciated ‘soft’ factors. The latter involve the global atmosphere of the city, such as its openness and the cultural and ethnic diversity.

¹ This section has been written by the ACRE Toulouse team (Hélène Martin-Brelot, Elisabeth Peyroux, Denis Eckert, University of Toulouse), with help from the Leipzig team (Bastian Lange, Leibniz Institute of Regional Geography). The section is common to all ACRE reports within Work Package 10.

Each of the three surveys conducted from 2007 to 2009 among the target groups of employees, managers and transnational migrants aimed at answering the following questions:

- What were the main motives behind their decision to settle in the city where they currently live?
- What was the relative weight of 'hard' and 'soft' location factors in their decision-making process?

It quickly appeared that reasons related to what we called the '**personal trajectory**' and the classical factors such as **employment** or study opportunities had mattered significantly in the respondents' choice to settle at a particular place. 'Soft' factors seemed to figure only weakly in their decision.

By compiling the results of the first quantitative survey conducted among employees in the 13 participant cities, we indeed found that 55 per cent of the respondents were born in the city or metropolitan region where they currently live. The place where they acquired higher education seems to play an even more important role in their location choice, as 63.6 per cent of the sampled employees obtained their highest degree locally, i.e. in the city or metropolitan region where they now reside.

Taking into account this 'personal trajectory factor' - measured by the places of birth and studies of those surveyed - allowed us to gain more insight into the issue of the attractiveness of a city. We could differentiate between people who already had a prior link with the city and those who had none. Considered as 'creative migrants', the latter only represent 25 per cent of the sample. For them, as for the rest of the sample, **the job-related hard factors play the most dominant role in the selection of a place of residence.**

Soft factors play a very marginal role in attracting creative knowledge workers to a city, as only 9 per cent of the people coming from outside the region cite this type of reason in a first position. However, they seem important in retaining them in the long term. In fact, soft factors tend to have more importance if the respondents live in the city for more than a year. By contrast, the role of hard factors continuously decreases with the time spent in the city. This result implies that hard factors work more as a reason for mobility (why come), whereas soft factors are more the reason to stay (why not leave the city).

Qualitative surveys among managers and employers in creative and knowledge industries confirmed the major role of hard factors, especially the availability of a skilled labour pool, which is often correlated with the presence of higher education institutions in the region. Access to clients and supporting services is also crucial and depends on the size of the city as well as on an efficient transport system. Entrepreneurs also emphasised the quality of the working environment and their professional networks for succeeding in their business.

The presence of universities and higher education institutions constitutes a major attraction factor for transnational migrants. Employment opportunities appear to be an important reason to settle in a city. The motives behind the decision to stay also involve personal links (friends, family). We could also note the relative importance of the strong image of a city as a centre of creativity (Milan, Barcelona) or technology (Toulouse, Helsinki).

Those first outcomes thus do not confirm Florida's hypothesis of a highly mobile 'creative class'. On the contrary, the highly skilled creative and knowledge workers surveyed under the ACRE programme tend to lead a rather sedentary way of life. And whenever they move, their mobility is rather driven by classical hard factors, mostly employment. Our findings rather confirm those of Storper and Scott (2009: 161): "*Most migrants – unless they enjoy a private income or are able to capitalise on some purely personal talent that can be practiced anywhere – are unlikely to be able to move in significant numbers from one location to another unless relevant employment opportunities are actually or potentially available.*"

2.1.2 *Some elements of the debate on urban competitiveness*

According to our results, the size of the city, the quantity and quality of transport infrastructure, and above all study and job opportunities act as significant drivers behind the decision to settle in a certain region. The respondents are also strongly tied to their native and family environment or to the place where they studied and have built their social networks. In turn, soft factors are clearly not influential in directly attracting creative and knowledge individuals - employees, entrepreneurs and transnational migrants - to a city. However, this does not mean that they have no importance at all for those surveyed, especially in retaining them in the long term. Several observations concerning the quality of life can be drawn from the empirical results and be employed in the current debates on urban competitiveness.

Evaluating hard and soft factors

First attempts at a comparison of the 13 cities show a strong heterogeneity of the results, which can be explained by differences in the local conditions. In general, dissatisfaction is clearly expressed about the material aspects of the given city, such as housing, transport, cleanliness of the streets, etc. This can be connected with the crucial issue of the development pathway of each city, which is one of the dimensions to be taken into account for a typology. Conditions for success seem different in cities with a strong or a discontinued path. We could note a lower level of satisfaction with urban facilities and infrastructure in general among people living in the post-socialist cities of Sofia, Riga, Budapest and Poznan. But the situation also differs according to the level of infrastructure and the position of the city as a national or regional capital. The size of the city also has to be considered in that it might offer more potential personal relations. Along this line, strong universities well integrated into the city's life appear to play a major role as a precondition to the formation of further social networks. Let's also mention that a positive evaluation of one or several aspects of the city's environment does not necessary mean that those surveyed are not worried about the evolution of the city. In Munich, for instance, the transport system and a large number of urban facilities and services are judged very efficient, but the respondents tend to be pessimistic about the city's future in general (see M. Grossetti's note, Sept. 2009).

Soft factors seem to be much more difficult to evaluate than hard ones. Here it is important to distinguish between different types of soft factors. On the one hand, there are conditions which policies cannot do anything about, like the natural assets of the city such as its location

in a favourable natural environment or the sunny climate it enjoys or not. On the other hand, there are factors like openness and tolerance that can be more or less easily promoted or improved in the long term by mean of political decision.

No specific expectations of the ‘creative class’?

The fact that the respondents’ concerns do not differ much from those of the rest of the population is our important empirical finding. This again contradicts Florida’s idea of specific needs of a specific ‘creative class’. For instance, there are serious worries about the availability of jobs and affordable housing in most of the surveyed cities. The efficiency of the urban transport system and the related issues of traffic congestion and air pollution, as well as safety issues are important for a large part of the respondents. Moreover, the above-mentioned role of soft factors as *retaining* factors tend to confirm that policies should not only focus on the attractiveness of the city for a ‘creative class’ coming from outside, but should also be oriented towards those who already live and work in the city.

This leads to the complex issue of urban governance and the integration of various, often contradictory objectives, such as the need to increase competitiveness, tackle social exclusion, and preserve environmental resources.

The risks associated with policies focusing on economic performance involve the growth of social and spatial disparities within urban areas. This is one of the criticisms of Florida’s theory (Malanga 2004; Peck 2005; Scott 2006). The elitism associated with the concept of the ‘creative class’ also tends to play down the debate about social polarisation associated with economic restructuring. For instance, Thanki and Jefferys (2007) describe the informal labour market of the media industries in London and show how the need for personal contacts to find work and the precariousness of the workforce have reinforced the dominance of the industry by a white middle-class elite.

The issue of scale

The ‘competitiveness-cohesion’ dichotomy which is at the heart of the current debate about governance has been scrutinised in a recent book as part of a European research project running between 2004 and 2007 (COST Action A26). The authors emphasise the rescaling process that has been going hand in hand with globalisation, characterised by open markets and the removal of barriers to trade, investment and migration of labour. Cities have become “a key territory for current capitalism”; also, “place competition has become a key driver of spatial and urban policy”. At the same time, cities and regions are forced to redefine their objectives, their means, their institutions and their positions as socio-political units (Ache et al. 2008: 7).

New meanings of the local and regional systems have been pointed out in a context of globalisation and it has been concluded that this should not be regarded as separated from global processes (Musterd et al. 2007). The analysis highlights the need to take into account the city, the city-region, and the wider regional scale, both in geographic and political-

administrative terms, as well as the need to consider “smaller areas (sometimes neighbourhoods with specific characteristics) which either do or do not fit the requirements of residents and firms and thus demonstrate dynamic economic transformation or fail to do so” (ibid, p. 30).

The new importance of cities and regions in the global economy and the rescaling process it entails make the neighbourhood a new object of attention. One of our results refers to the idea that if soft factors do not influence people’s choice to settle in a particular city, they might determine why they choose a certain district within an urban area (Martin-Brelot et al. 2010). This idea could explain the differences we have found between creative and knowledge workers. The former seem to be more demanding in terms of the cultural offer and social environment, while the latter are more sensitive to hard factors. This may have implications for policy makers who wish to favour a certain type of industries or individuals. In terms of scale, intervention into neighbourhoods might be more adapted to the needs of creative people, whereas strategies at the metropolitan and/or regional level are better suited to the development of knowledge-intensive activities as the target.

On the basis of the results of this analysis and the surveys carried out in the previous Work Packages as well as the synthetic reports written, current policies and strategies will be confronted with actual dynamics in the regions involved. Attention will be paid in particular to the institutional dimension and the role of organisations (governments, trade associations, large companies, universities, citizen movements, etc.) and the mode of governance in a comparative perspective.

2.2 Governance approaches and methodology

The purpose of this sub-section is not to review in detail the different governance approaches and methods, but to highlight key issues in the comparative studies and identify common ground for a comparative analysis of the case studies.

The nature and scope of this research phase should be taken into consideration; it primarily involves an analysis of policy documents and a study of governance arrangements in the field of economic development. No extensive fieldwork (i.e. interviews of stakeholders) has been planned. The research mainly relies on existing knowledge about the topic under consideration and on the results of previous studies conducted by the ACRE researchers.

The diversity of governance concepts and theoretical approaches

Over the past decades a number of theories and approaches have been developed within what has been referred to as a shift of paradigm from government to governance. Prominent urban governance approaches include the American “growth-machine” and “urban regime” theories (and the related notion of “urban growth coalitions”) (Elkin 1987; Stone 1989, 1993; Stoker 1995). Those approaches rely on the notion of “policy networks” which is based on the (contentious) assumption that political processes are not controlled by state actors alone and

that governing increasingly depends on the interaction of public and private actors (Davies 2002). Policy network analysis has been described as “attempts to explain policy development by examining networks of actors concerned with a given policy problem, across the public and private sectors and throughout different levels of governance” (Mikkelsen 2006: 17-18). Whilst all analyses use the network as a unit of analysis, several approaches have been developed. The term “policy network” can also be understood as “a generic label that embraces different forms of relations between state actors and private actors” (Kriesi et al. 2006: 341).

The difficulty of conducting comparative studies

A comparative study of policies and strategies raises a number of theoretical and methodological issues that have been summarised as follows in a study of two German and two U.S. cities²: “an over-dominance of deductive approaches, the lack of explicit methodological guidelines and the less than rigorous application of what has become a multitude of overlapping theoretical concepts” (Gissendanner, 2003: 3).

Whereas it is acknowledged that deductive studies make a valuable contribution to theory building, it is also pointed out that the use of different concepts for qualitative descriptions inhibits case comparisons. In addition, the literature on prominent urban governance approaches such as the “growth-machine” and “urban regime” theories in particular are said to provide few explicit methodological guidelines and the authors that apply them do not usually specify the methodology they use, which also makes comparison difficult³. Finally, the concepts used by the researchers may differ from the one originally defined in the source texts (ibid.).

According to some scholars, the dominant urban governance approaches present some shortcomings as well. The urban regime theory has been criticised in a number of aspects: its focus on political management and arrangements of internal governance coalitions; its failure to move beyond “middle-level abstractions”; its tendency to overlook the role of higher-level governments; a rigid and static conceptualisation of the division of labour between the state and the market, and the subsequent underestimation of the potential role played by the local authority and community-based organisation in capital accumulation; as well as a narrow vision of the private sector that does not take into consideration small businesses as increasingly vital actors in the post-industrial era (Imbroscio, 1998; Gissendanner, 2003). Other criticisms of the urban regime theory underline the fact that it does not take into consideration the discursive dimension of partnerships and the power relationships (this is particularly relevant in urban regeneration policies, see Atkinson 1999). The “growth machine” approach has been criticised for its emphasis on the business communities and land-use decision-making. Scholars also argue that the efficacy of local political structures and formal politics is not adequately considered, and that the connections between the local

² This study sought to analyse the different ways in which cities responded to de-industrialisation and to explore why some would respond in a relatively more strategic fashion.

³ In addition to the fact that these theories are based on the U.S experience and context and do not necessarily fit the European ones.

authority and the national state are neglected (Fox, Gotham 2000). Both approaches have been criticised for their under-estimation of local political conflicts.

The relevance of approaches in term of “policy networks” in the context of European cities has also been critically explored (see Davies 2002 for an analysis of the inadequacy of the term “governing by networks” to describe the politics of urban regeneration in the UK). The debates revolve around the role and influence of public actors, in particular the national state, in sub-national affairs. The relative prevalence and power of “autonomous governing networks” in different political systems is also called into question (Davies 2002).

Owing to those shortcomings, some authors have called for a more inductive approach that requires qualitative methods “that better uncover structural details of governance networks in ways that are less dependent on particular general concepts or on a logic of data selection that is independent from particular cases. Case study data must also be presented in ways that ease comparison” (Gissendanner 2003: 6).

Considering the above-mentioned constraints of this WP, we propose to adopt such an inductive approach in order to describe and analyse simple structural aspects of networks through a set of common questions.

Defining common ground for comparative work

We have chosen to present a set of common questions to be answered in every case study rather than a single theoretical approach as this would require a far more ambitious methodological design. A broad definition of “policy network” is proposed. This set of common questions builds on various analyses of networks that have been developed to analyse European policies (Kriesi et al. 2006; Peterson 2003; Peterson and Bomberg, 1999; Rhodes 1990, 1997).

The aim of this analysis is to identify and describe networks, structures and functioning, including:

- the stakeholders involved in the definition and implementation of economic development policy, including the identification of the most influential one;
- the nature of their interactions; and
- the issue of how and to what extent the structure and functioning of coalitions and networks “may explain policy choice, democraticness, strategicness, openness to new policy ideas, effectiveness, and so on” (Gissendanner 2003: 15).

3 CHARACTERISTICS OF THE RESEARCH AREA

3.1 Economic profile of the Poznan metropolitan region (PMR)

Poznan is one of the largest and fastest-growing cities in Central Europe. Located in the west-central part of the country and equidistant between Warsaw and the German capital Berlin, it is the place where the Polish statehood originated more than 1,000 years ago. With its more than 557 thousand inhabitants (2008), Poznan is the fifth largest city in Poland (after Warsaw, Lodz, Cracow, and Wroclaw).

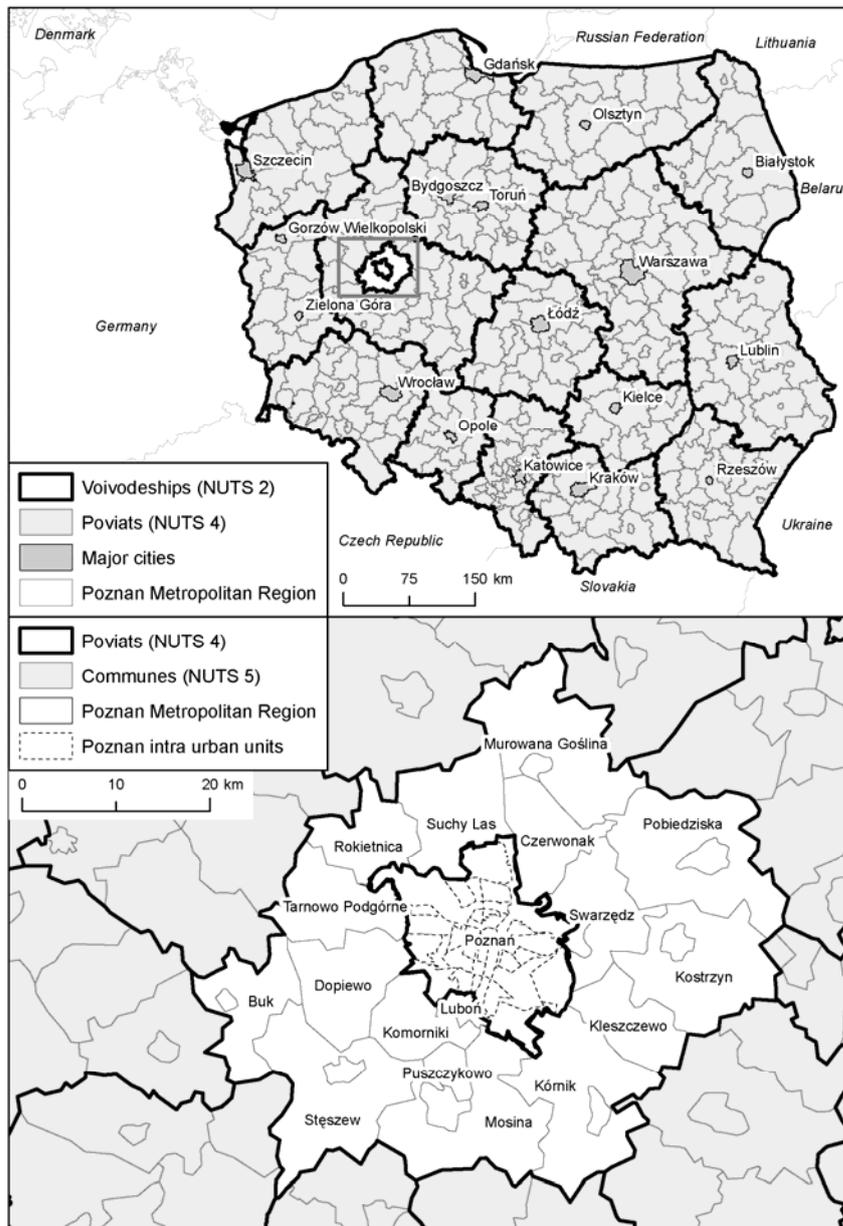
Poznan is the centre and main city of a metropolitan region (PMR) inhabited by about 868 thousand people. The spatial range of the region adopted in the ACRE project, apart from the city, coincides with the boundaries of the administrative unit called Poznan powiat (district). It corresponds to the NUTS 4 level and includes the adjacent towns and communes (gmina). These are: two towns (Lubon and Puszczykowo), 8 urban-rural communes (Buk, Kostrzyn, Kornik, Mosina, Murowana Goslina, Pobiedziska, Steszew, and Swarzedz), and 7 rural communes (Czerwonak, Dopiewo, Kleszczewo, Komorniki, Rokietnica, Suchy Las, and Tarnowo Podgorne). Some of these communes within the limits of the Poznan metropolitan region (such as Tarnowo Podgorne, Czerwonak or Suchy Las), although called rural, are among the most industrialised communes in Poland. The spatial range of the Poznan metropolitan region is presented in Figure 3.1.

Apart from its municipal and powiat administrative functions, Poznan is also the seat of provincial authorities. The provincial-level unit of the administrative system (corresponding to NUTS 2) is called the voivodeship (województwo). Wielkopolska voivodeship is one of the largest in Poland (the second largest in terms of area and the third in terms of population).

The position of Poznan in the European network of metropolitan regions is defined by the following features:

- in comparison with the biggest European cities, Poznan's metropolitan functions are not fully formed yet;
- Poznan's location halfway between Warsaw and Berlin puts the city under strong competitive pressure from those two capitals;
- the discontinuity of the city's development path and its inability to keep up with global processes under the communist system (like in other cities of the Eastern bloc) have serious implications for accommodating creative knowledge.

Figure 3.1 - Poznan Metropolitan Region - The research area



Source: own compilation

In spite of all the above-mentioned reservations, Poznan is one of the most dynamic Polish cities, a leader in the process of social and economic transformation. It also has assets that can make it into a creative and knowledge-based metropolitan region. So far, this type of development path has been far from common in post-communist East-Central Europe. There are signs, however, that this unfavourable situation is gradually changing. Poznan provides many examples of this change.

The economy of the Poznan metropolitan region is diversified with a dominating service sector which accounts for 70.9 per cent of the region's gross value added (GVA). The diversification of the economic profile and the balanced growth potential (also in demographic terms) are the strongest points of the study area. Other strong points include:

- efficient institutions and well-managed city finance,
- success in attracting foreign direct investment,
- the historically developed features of human capital: entrepreneurship and high work standards,
- a high quality of life (in relation to other Polish metropolises),
- a recognised quality of higher education (with its 214 students per 1,000 inhabitants, Poznan ranks first among the largest Polish cities),
- a rich cultural milieu (especially music and dance), and
- availability of attractive housing.

In turn, among the city's weaknesses one can list:

- moderately favourable conditions for investment,
- inadequate promotion of its image (including cultural assets), and
- deficient air connections.

Taking into consideration Florida's concept of a creative class, worth mentioning is the fact that the ethnic structure of Poznan is highly homogeneous, the number of foreigners and the inflow of immigrants being relatively small, as in most Polish cities.

The research results presented in the WP2 report (Strykiewicz et al. 2007b) show Poznan to follow two pathways to a creative and knowledge-based city. One can be termed a catch-up process imitating the development paths of Western-type metropolitan regions. The other, which can be called endogenous, relies on local tradition and resources, including human capital.

The present period (2000 onwards) has been characterised by an impressive growth dynamics of the creative knowledge sector in Poznan. The development of the creative and knowledge-intensive industries accelerated steeply when Poland opened its borders after 1989; the next growth impulse was Poland's accession to the European Union in 2004. This development rests on several 'pillars', such as higher education, a well-developed ICT sector, an innovative business environment, cultural potential and heritage (especially music events), and traditional artistic crafts.

Poznan is a city generally well perceived by the inhabitants of other regions of Poland, attractive to live and work in. Its milieu is a product of history, an urban layout with a historic centre and numerous architectural monuments, cultural institutions, higher schools, wedges of greenery, retail outlets, practically an absence of degraded areas, and finally order and cleanliness. The city's attractiveness is enhanced by its good location in terms of transport, a diversified economic structure, a low unemployment rate, a relatively low crime rate, and the feeling of safety in the place of residence. The cost of living, while rather high in the Polish conditions, is lower than in the other major cities, like Warsaw, Gdansk, Gdynia or Wroclaw. The costs of housing and municipal services are rather high too. According to Ziółkowski

(2004), the Poznanians are perhaps less spontaneous and extroverted, but very reliable and hard-working. All this makes Poznan a place people are glad to live and work in, and glad to visit. It is also attractive to foreign investors, who have for years been sitting their investments there, worth in 2006 a total of \$5.1 billion (it is only in Warsaw that the total stock of foreign direct investment has outstripped that in Poznan).

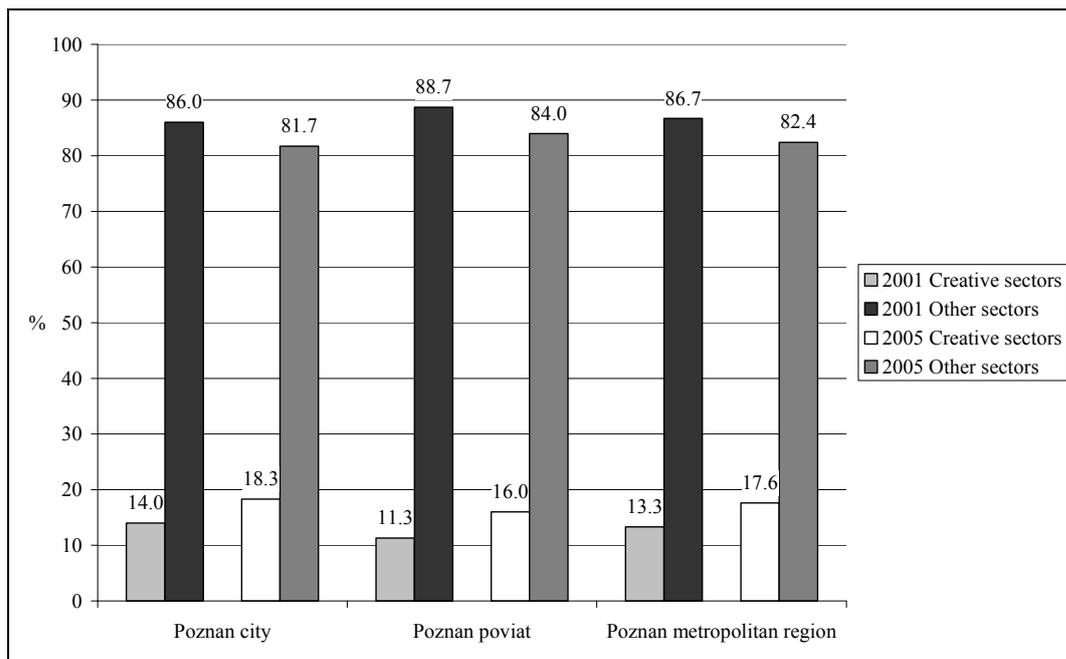
3.2 Creative knowledge sector in the PMR

A detailed empirical analysis of the creative knowledge sector in the Poznan metropolitan region (by sub-sectors and territorial units) was carried out in WP2 and WP4 (Stryjakiewicz et al. 2007a, b). The following sections present the dynamics of the creative knowledge sector on the backcloth of the other sectors of the economy, the geographical pattern of the sector, and the situation in the sub-sectors (creative and knowledge-intensive industries). The analysis is mainly based on two indicators: (1) the number of entities, and (2) employment.

3.2.1 Dynamics and the geographical pattern of the creative knowledge sector

In 2001 there were 15,300 entities of the creative knowledge sector in the Poznan metropolitan region. They constituted 13.3 per cent of all businesses in the region. By 2005 the figure grew to 22,200, i.e. by 45 per cent, while the proportion of the creative units increased to 17.6 per cent (Figure 3.2; 'creative sector' is shorthand for 'creative knowledge sector'). The proportion of those units was higher in Poznan than the poviats, although the difference had narrowed over the study period.

Figure 3.2 - The number of entities of the creative knowledge sector in the Poznan metropolitan region in 2001 and 2005



Source: own calculations based on data provided by the Statistical Office in Poznan.

Units of the creative knowledge sectors contributed substantially to the increase in the total number of economic entities between 2001 and 2005. Two-thirds of the new businesses were those in the creative sectors.

The largest proportion of the firms in question was micro-units employing fewer than 10 persons. In 2005 they constituted 17.8 per cent of the total number of entities in this size group; they also showed the greatest growth dynamic over the study period - 4.5 percentage points. It was only big units, i.e. those employing more than 250 workers, whose proportion dropped in their group. This resulted largely from a decline in the proportion of big units in Poznan poviat.

Out of the total number of 22,200 firms of the creative knowledge sectors in the Poznan metropolitan region in 2005, almost 75 per cent carried on business in the city. They were mostly located in the downtown part and the densely populated areas around it. Since 96 per cent of them were micro-units (with a staff of under 10), they tended to concentrate on block-of-flats estates typical of the socialist period (Piatkowo and Winogrody in the northern parts of the city and Rataje in the south-east). Very often they were based in private flats, which served as home and workplace rolled into one.

In Poznan poviat, where 26 per cent of the businesses were located, they concentrated mostly in urban areas in the immediate vicinity of Poznan (the towns of Lubon and Swarzedz). Generally, urban areas (Poznan and the poviat towns) accounted for 88 per cent of firms of the creative knowledge sector. Thus, there is a close dependence between densely populated and built-up areas and the location of creative firms.

Over the period 2001-2005, the total number of those firms in Poznan increased by 41 per cent, especially micro- and small units (41 per cent and 43 per cent, respectively). But the growth was even steeper in Poznan poviat, where the figure increased by 60 per cent. In absolute terms, the firms mushroomed especially in the city centre and on block-of-flats estates as well as outside city limits in areas of intensive housing activity (Suchy Las in the north, Swarzedz in the east). The higher increase in Poznan poviat in percentage terms was the result of differences in the reference values. For example, in Steszew commune the number of the entities in question grew from 17 in 2001 to 37 in 2005, or by as much as 118 per cent, while in the centre of Poznan the change from 1,411 to 1,890 meant a rise by a mere 34 per cent. This was the situation in all the communes of the poviat. That is why the growth rate in the rural areas, at 75 per cent, was much higher than that in the towns (at 42 per cent). In total, between 2001 and 2005 there appeared 6,940 new firms of the creative knowledge sectors in the Poznan metropolitan region, which meant an increase of 45 per cent.

The sectors most concentrated spatially were Publishing as well as R&D and higher education, with 84 per cent of firms located in Poznan (Table 3.2), which is no wonder given the fact that the city is a major academic centre. Similarly high concentration levels were displayed by ICT, Architecture, and Advertising. The most dispersed sector, and the only one better developed in the region than the city, was the Crafts. The town of Swarzedz in the east had a higher firms-per-unit-area index than Poznan. Following old tradition, Swarzedz is now the seat of many wood processing and furniture workshops.

Table 3.1 - Number of entities in the creative knowledge sector in the Poznan metropolitan region and its change in the years 2001-2005**(a) share in 2005, in per cent**

| Sector | Poznan city | Poznan powiat | Total |
|--|-------------|---------------|-------|
| Advertising | 6.8 | 5.2 | 6.4 |
| Architecture | 12.4 | 8.9 | 11.5 |
| Arts/antiques trade | 10.2 | 11.8 | 10.6 |
| Crafts | 3.2 | 15.5 | 6.4 |
| Financial intermediation | 18.2 | 16.4 | 17.8 |
| ICT manufacturing | 2.4 | 1.7 | 2.2 |
| ICT services | 9.1 | 6.9 | 8.6 |
| Law and other business services | 29.2 | 27.4 | 28.8 |
| Music and the visual and performing arts | 2.9 | 2.7 | 2.9 |
| Publishing | 2.6 | 1.4 | 2.3 |
| R&D and higher education | 0.9 | 0.5 | 0.8 |
| Video, film, music and photography | 1.9 | 1.7 | 1.9 |
| Total - all sectors | 100.0 | 100.0 | 100.0 |

(b) change 2001-2005, in per cent

| Sector | Poznan city | Poznan powiat | Total |
|--|-------------|---------------|-------|
| Advertising | 37.2 | 98.6 | 46.6 |
| Architecture | 38.3 | 68.0 | 43.3 |
| Arts/antiques trade | 30.5 | 40.3 | 33.2 |
| Crafts | 15.8 | 36.9 | 28.1 |
| Financial intermediation | 21.7 | 27.4 | 23.0 |
| ICT manufacturing | 21.3 | 50.8 | 26.1 |
| ICT services | 61.1 | 101.0 | 68.0 |
| Law and other business services | 72.2 | 111.8 | 80.5 |
| Music and the visual and performing arts | 29.9 | 29.2 | 29.8 |
| Publishing | 10.6 | 43.9 | 14.8 |
| R&D and higher education | 81.4 | 172.7 | 91.8 |
| Video, film, music and photography | 15.3 | 15.7 | 15.4 |
| Total - all sectors | 41.0 | 59.6 | 45.4 |

Source: own calculations based on data provided by the Statistical Office in Poznan.

3.2.2 Creative industries

In 2001 there were 6,924 creative entities in the Poznan metropolitan region. They constituted 1.4 per cent of all businesses in the region. By 2005 the figure grew to 9,313, i.e. by 25 per cent, while the proportion of the creative units increased to 1.7 per cent. The proportion of those firms was higher in the city than in the powiat, although the difference had narrowed over the study period.

In 2005 the highest proportion of creative entities was contributed by architectural micro-firms employing a staff of up to 10 (27.5 per cent, Table 3.2). They were largely located in Poznan (more than 80 per cent). The concentration of this type of activity in the city was due to a substantial upswing on the Poznan housing market in the years 2001-2005. The appearance of new housing estates and an expanding real-estate trade boosted the growth of

firms connected with the building industry, including architectural ones. Among other establishments important for creative industries were also those engaged in Arts/antiques trade. However, a detailed analysis revealed that most of them dealt with trade only, hence not all can be considered creative. A small group of creative entities in the sectors of Music and the visual and performing arts (641 units) as well as Video, film, music and photography (413 units) undoubtedly influences the city's social development, but it is not strong enough to play a significant role in determining Poznan's chief functions.

Table 3.2 - Creative firms in the Poznan metropolitan region in 2005 by sub-sector and spatial unit

(a) Number of firms

| Sub-sector | Poznan city | Poznan powiat | PMR total |
|--|--------------------|----------------------|------------------|
| Advertising | 1,122 | 294 | 1,416 |
| Architecture | 2,052 | 509 | 2,561 |
| Arts/antiques trade | 1,688 | 669 | 2,357 |
| Crafts | 535 | 879 | 1,414 |
| Music and the visual and performing arts | 486 | 155 | 641 |
| Publishing | 429 | 82 | 511 |
| Video, film, music and photography | 317 | 96 | 413 |
| Total | 6,629 | 2,684 | 9,313 |

(b) Share of spatial units, in per cent

| Sub-sector | Poznan city | Poznan powiat | PMR total |
|--|--------------------|----------------------|------------------|
| Advertising | 79.2 | 20.8 | 100.0 |
| Architecture | 80.1 | 19.9 | 100.0 |
| Arts/antiques trade | 71.6 | 28.4 | 100.0 |
| Crafts | 37.8 | 62.2 | 100.0 |
| Music and the visual and performing arts | 75.8 | 24.2 | 100.0 |
| Publishing | 84.0 | 16.0 | 100.0 |
| Video, film, music and photography | 76.8 | 23.2 | 100.0 |
| Total | 71.2 | 28.8 | 100.0 |

(c) Share of sub-sectors, in per cent

| Sub-sector | Poznan city | Poznan powiat | PMR total |
|--|--------------------|----------------------|------------------|
| Advertising | 16.9 | 11.0 | 15.2 |
| Architecture | 31.0 | 19.0 | 27.5 |
| Arts/antiques trade | 25.5 | 24.9 | 25.3 |
| Crafts | 8.1 | 32.7 | 15.2 |
| Music and the visual and performing arts | 7.3 | 5.8 | 6.9 |
| Publishing | 6.5 | 3.1 | 5.5 |
| Video, film, music and photography | 4.8 | 3.6 | 4.4 |
| Total | 100.0 | 100.0 | 100.0 |

Source: Own calculations based on data provided by the Statistical Office in Poznan

Table 3.3 - Employment in creative industries in the Poznan metropolitan region by sub-sector and spatial unit, 2001-2005

| (a) Number of employees | | | | | | |
|--|--------------------|---------------|----------------------|--------------|------------------|---------------|
| Sub-sector | Poznan city | | Poznan powiat | | PMR total | |
| | 2001 | 2005 | 2001 | 2005 | 2001 | 2005 |
| Advertising | 2,506 | 3,511 | 394 | 460 | 2,900 | 3,971 |
| Architecture | 5,484 | 5,487 | 475 | 776 | 5,959 | 6,263 |
| Arts/antiques trade | 4,603 | 5,686 | 1,515 | 2,117 | 6,118 | 7,803 |
| Crafts | 3,110 | 3,868 | 4,665 | 5,092 | 7,775 | 8,960 |
| Music and the visual and performing arts | 3,540 | 3,814 | 742 | 929 | 4,282 | 4,743 |
| Publishing | 2,195 | 2,466 | 140 | 178 | 2,335 | 2,644 |
| Video, film, music and photography | 684 | 749 | 135 | 164 | 819 | 913 |
| Total | 22,122 | 25,581 | 8,066 | 9,716 | 30,188 | 35,297 |

| (b) Share of total employment, in per cent | | | | | | |
|---|--------------------|------------|----------------------|------------|------------------|------------|
| Sub-sector | Poznan city | | Poznan powiat | | PMR total | |
| | 2001 | 2005 | 2001 | 2005 | 2001 | 2005 |
| Advertising | 0.7 | 0.9 | 0.4 | 0.3 | 0.6 | 0.7 |
| Architecture | 1.5 | 1.4 | 0.4 | 0.6 | 1.2 | 1.2 |
| Arts/antiques trade | 1.2 | 1.4 | 1.3 | 1.6 | 1.3 | 1.5 |
| Crafts | 0.8 | 1.0 | 4.1 | 3.8 | 1.6 | 1.7 |
| Music and the visual and performing arts | 1.0 | 0.9 | 0.7 | 0.7 | 0.9 | 0.9 |
| Publishing | 0.6 | 0.6 | 0.1 | 0.1 | 0.5 | 0.5 |
| Video, film, music and photography | 0.2 | 0.2 | 0.1 | 0.1 | 0.2 | 0.2 |
| Total | 5.9 | 6.4 | 7.2 | 7.3 | 6.2 | 6.6 |

| (c) Change 2001-2005, in per cent | | | |
|--|--------------------|--|------------------|
| Sub-sector | Poznan city | | PMR total |
| Advertising | 40.1 | | 36.9 |
| Architecture | 0.1 | | 5.1 |
| Arts/antiques trade | 23.5 | | 27.5 |
| Crafts | 24.4 | | 15.2 |
| Music and the visual and performing arts | 7.7 | | 10.8 |
| Publishing | 12.3 | | 13.2 |
| Video, film, music and photography | 9.5 | | 11.5 |
| Total | 15.6 | | 16.9 |

Source: Own calculations based on data provided by the Statistical Office in Poznan

In the years 2001-2005, the growth in the number of firms of creative industries in the PMR was accompanied by an increase in their employment by nearly 15 per cent (from 30,188 in 2001 to 35,297 in 2005; Table 3.3). In a spatial approach, the dominant role in this development was played by Poznan city, which accounted for the largest number of creative workers (72.5 per cent). A substantial proportion of them were employed in handicraft micro-firms (25 per cent), this time mostly located in Poznan powiat (more than 30 per cent), mainly in Swarzedz with its furniture handicraft. Another sector contributing a high percentage to creative employment was Arts/antiques trade (1.5 per cent). The small group of people working in the Video, film, music and photography sector was not enough to develop Poznan's cultural functions in such a way as to allow the city to compete with the chief centres of artistic life in Poland, like Warsaw or Cracow.

3.2.3 Knowledge-intensive industries

In 2001 there were 8,376 knowledge intensive entities in the Poznan metropolitan region. They constituted 1.7 per cent of all businesses in the region. By 2005 the figure grew to 12,924 and the proportion of the knowledge intensive units increased to 2.4 per cent of all businesses. It shows this group of entities to have a higher growth dynamics (32 per cent) than creative firms (25 per cent) over the same period. In spatial terms, there was a striking similarity in location preferences of the two sectors: both tended to locate in Poznan city.

In 2005 the largest group among knowledge intensive firms were micro-units belonging to the sectors of Law and other business services (6,394) and Financial intermediation (3,951; Table 3.4). Those businesses were mostly located in Poznan. Their operation was associated with the many public administration offices and financial institutions based in the city. The smallest group among knowledge intensive industries was composed of entities of the R&D and higher education sector (186), and ICT manufacturing (493). However, the number of economic entities does not fully reflect the role of those sectors in the PMR; of greater significance is their employment.

Table 3.4 - Knowledge intensive firms in the Poznan metropolitan region in 2005 by sub-sector and spatial unit

(a) Number of firms

| Sub-sector | Poznan city | Poznan powiat | PMR total |
|---------------------------------|-------------|---------------|-----------|
| Financial intermediation | 3,020 | 931 | 3,951 |
| ICT manufacturing | 398 | 95 | 493 |
| ICT services | 1,513 | 390 | 1,903 |
| Law and other business services | 4,835 | 1,559 | 6,394 |
| R&D and higher education | 156 | 30 | 186 |
| Total | 9,922 | 3,005 | 12,927 |

(b) Share of spatial units, in per cent

| Sub-sector | Poznan city | Poznan powiat | PMR total |
|---------------------------------|-------------|---------------|-----------|
| Financial intermediation | 76.4 | 23.6 | 100.0 |
| ICT manufacturing | 80.7 | 19.3 | 100.0 |
| ICT services | 79.5 | 20.5 | 100.0 |
| Law and other business services | 75.6 | 24.4 | 100.0 |
| R&D and higher education | 83.9 | 16.1 | 100.0 |
| Total | 76.8 | 23.2 | 100.0 |

(c) Share of knowledge intensive sub-sectors, in per cent

| Sub-sector | Poznan city | Poznan powiat | PMR total |
|---------------------------------|-------------|---------------|-----------|
| Financial intermediation | 30.4 | 31.0 | 30.6 |
| ICT manufacturing | 4.0 | 3.2 | 3.8 |
| ICT services | 15.2 | 13.0 | 14.7 |
| Law and other business services | 48.7 | 51.9 | 49.5 |
| R&D and higher education | 1.6 | 1.0 | 1.4 |
| Total | 100.0 | 100.0 | 100.0 |

Source: Own calculations based on data provided by the Statistical Office in Poznan

In the years 2001-2005 the increase in the number of knowledge intensive entities was accompanied by a rise in their employment (41,292 and 58,963 respectively). The most dynamic growth in terms of employment - 37 per cent - was registered in ICT services (Table 3.5). Even so, the highest employment in 2005 was recorded in the sectors of Law and other business services, and R&D and higher education. The high employment in the latter sector is due to the fact that there are many higher schools and R&D units based in Poznan. The large group of scholars and scientists working in them determine the nature and principal functions of the city.

Table 3.5 - Employment in knowledge intensive industries in the Poznan metropolitan region by sub-sector and spatial unit, 2001-2005

(a) Number of employees

| Sub-sector | Poznan city | | Poznan powiat | | PMR total | |
|---------------------------------|-------------|--------|---------------|-------|-----------|--------|
| | 2001 | 2005 | 2001 | 2005 | 2001 | 2005 |
| Financial intermediation | 7,176 | 7,733 | 1,013 | 1,270 | 8,189 | 9,003 |
| ICT manufacturing | 3,026 | 2,090 | 301 | 603 | 3,327 | 2,693 |
| ICT services | 1,958 | 4,595 | 262 | 673 | 2,220 | 5,268 |
| Law and other business services | 11,456 | 20,534 | 1,373 | 3,155 | 12,829 | 23,689 |
| R&D and higher education | 14,552 | 18,125 | 175 | 185 | 14,727 | 18,310 |
| Total | 38,168 | 53,077 | 3,124 | 5,886 | 41,292 | 58,963 |

(b) Share of total employment, in per cent

| Sub-sector | Poznan city | | Poznan powiat | | PMR total | |
|---------------------------------|-------------|------|---------------|------|-----------|------|
| | 2001 | 2005 | 2001 | 2005 | 2001 | 2005 |
| Financial intermediation | 1.9 | 1.9 | 0.9 | 1.0 | 1.7 | 1.7 |
| ICT manufacturing | 0.8 | 0.5 | 0.3 | 0.5 | 0.7 | 0.5 |
| ICT services | 0.5 | 1.1 | 0.2 | 0.5 | 0.5 | 1.0 |
| Law and other business services | 3.1 | 5.1 | 1.2 | 2.4 | 2.6 | 4.4 |
| R&D and higher education | 3.9 | 4.5 | 0.2 | 0.1 | 3.0 | 3.4 |
| Total | 10.3 | 13.2 | 2.8 | 4.4 | 8.5 | 11.0 |

(c) Change 2001-2005, in per cent

| Sub-sector | Poznan city | Poznan powiat | PMR total |
|---------------------------------|-------------|---------------|-----------|
| Financial intermediation | 7.8 | 25.4 | 9.9 |
| ICT manufacturing | -30.9 | 100.3 | -19.1 |
| ICT services | 134.7 | 156.9 | 137.3 |
| Law and other business services | 79.2 | 129.8 | 84.7 |
| R&D and higher education | 24.6 | 5.7 | 24.3 |
| Total | 39.1 | 88.4 | 42.8 |

Source: own calculations based on data provided by the Statistical Office in Poznan

In 2005 the knowledge intensive industries with the lowest employment levels in the PMR included ICT manufacturing and ICT services (2,693 and 5,268 workers, respectively). Moreover, the sector of ICT manufacturing registered a drop. This concerned the core city and resulted from structural changes of enterprises. For instance, Alcatel-Teletra, which had a staff of more than 250 in 2001, had moved its headquarters to Warsaw and cut employment down to about 50 people, which was a serious reduction affecting the statistics. Those modest figures notwithstanding, the ICT services sector as such displayed the highest growth

dynamics, which resulted from the high rate of informatisation of PMR inhabitants. This seems to be the beginning of the future direction of development of the region's economy; an economy based on free information exchange owing to the use of ICT.

3.3 Main 'hard' and 'soft' location factors influencing the decision-making in the creative knowledge sector

The survey research carried out in WP8 (Stryjakiewicz et al. 2009) based on in-depth interviews with both workers, graduates and managers as well as transnational migrants belonging to the creative knowledge sector made it possible to identify the main so-called 'hard' and 'soft' factors determining the attractiveness and choice of the PMR as a place to live and work.

In the light of the research among the first group, viz. workers and graduates of the creative knowledge sector, what makes the PMR attractive to them is a 'hard' economic factor, namely the presence in the region of an attractive labour market (Table 3.6). The workers belonging to the creative subsector also decided that the PMR was not only attractive in terms of finding a job here, but also of pursuing a career. They also stated that the reason they had come to Poznan was a close person (partner) taking up work in the city. The attractiveness of the PMR in terms of employment was also emphasised by representatives of the knowledge-intensive subsector and graduates, except that with those two groups the opportunity of boosting their career carried the greatest weight.

Among factors of a 'soft' nature that made the polled persons stay in the PMR was the working environment; however, it was significant only for workers of the creative subsector.

Much attention in the research was given to personal attachment to the metropolitan region. Among the factors indicated by the representatives of each of the subsectors (creative, knowledge-intensive and graduates) that had made them come to, or stay in, the PMR were 'family reasons' and 'born here'. Thus, they can be said to appreciate the traditional way of life, which they associated with the nearness of the family and friends.

Not only have the results of the survey research, but also many statements by managers employed in the creative knowledge sector confirmed the importance of the PMR as an attractive working place. That it offered great job opportunities was emphasised by the managers belonging to both, the creative and knowledge-intensive subsectors. Of significance for those two groups was also the location of many higher schools in Poznan city. In their opinion, their presence ensured a great inflow of young, highly skilled persons into the labour market. Managers and employees of the creative subsector also attached great weight to the nearness of the closest persons and friends. It was often this network of contacts that had allowed them to expand their firms.

A bit different factors made the PMR attractive to creative and talented transnational migrants. Apart from the great job opportunities already mentioned by employees, graduates and managers, they also stressed high wages in the region's enterprises. Crucial for many workers of the knowledge-intensive subsector coming to Poznan were the city's many higher

schools where they could find employment and follow their scientific pursuits. Transnational migrants found the PMR attractive also due to factors of a 'soft' nature, including the working environment and the quality of life in the city.

Table 3.6 - Summary matrix - Main 'hard' and 'soft' location factors influencing the decision-making of target groups to work and live in the Poznan metropolitan region

| Target groups | 'Hard' factors Attracting + retaining | 'Soft' factors Retaining | Personal trajectories Retaining |
|------------------------|--|--|--|
| Employees | creative | Employment (career opportunities – own or partner's current job) Education and study (studied here) | Working environment (job satisfaction) Family reasons Born here |
| | knowledge - intensive | Employment (career opportunities) Education and study (studied here) | Family reasons Born here |
| | graduates | Employment (career opportunities) Education and study (studied here) | Family reasons Born here |
| Employers/ managers | creative | Employment (job offers) Education and study – universities (highly, diversified qualified labour force) | Social networks: – private sphere: friends, family – professional sphere: contacts, working staff |
| | knowledge – intensive | Employment (job offers, career opportunities) Education and study (universities) | Born here Family reasons (parental family lives here) |
| International migrants | creative | Working conditions (salary) Employment (job offers) | Working environment Followed the partner Family reasons (marriage) Social networks |
| | knowledge - intensive | Employment (job offers) Working conditions (salary) Education and study (universities) | Quality of life in the city Social networks (professional sphere - contacts) Family reasons (marriage) |

Source: ACRE surveys

3.4 Attractiveness of the city region in terms of different location factors

The main factor attracting people involved in the creative knowledge sector to the Poznan metropolitan area was employment (Table 3.7). A well-developed and diverse job market created opportunities for satisfactory jobs. Furthermore, employment played a significant role in preventing migration of workers from the region. The jobs of the respondents participating in the ACRE project let them realise their plans and covered their costs of living, which was a significant factor for workers and transnational migrants. The workers underlined that their jobs were not only a source of income, but also a source of personal satisfaction, thanks to

which they achieved creative fulfilment and self-realisation. This was the reason why the working environment played such an important role, especially in the creative subsector, which was sometimes even more important than the salary. All this makes both the 'hard' and 'soft' employment factors serve a key function for Poznan and the region. This function allows not only keeping those who know the region and work in it, but also attracting newcomers from other parts of the country.

Besides employment, another important factor was the possibility of receiving good education. The large number of higher education institutions attracted people from outside the region. During five years of college not only did they study but also made acquaintances and worked, thus identified with Poznan more. This influenced their decisions about settling and working in Poznan after graduation. Therefore, education, just like employment, was an attracting and a retaining factor. This was the case predominantly with workers and transnational migrants. However, managers belonging to the latter group often expressed dissatisfaction with the quality of elementary education at Poznan-based international schools. Improving the qualifications of the staff teaching in those institutions would help to enhance their attractiveness for children of highly skilled transnational migrants. In the light of the respondents' comments, high quality of education at the elementary level meeting international standards would greatly boost the attractiveness not only of the schools themselves, but of the entire PMR.

The 'soft' factors often influenced the decision concerning staying in the region, even though they played a less significant role in Poznan than the 'hard' ones. The above-mentioned working environment, the quality of the urban environment, and the quality of life were all indicated most frequently among the 'soft' factors. The quality of the environment, connected particularly with the location of the city, its image and the accessibility of services and entertainment, was pointed out more often by workers and managers than the transnational migrants, who rather tended to indicate the quality of life connected with the cultural offer of the city. However, the quality of cultural activities in the PMR often met with criticism on the part of graduates, workers, including managers, and transnational migrants representing the creative subsector.

Personal trajectories were nearly as significant a factor influencing the location decisions of those working in the creative knowledge sector as employment. Most of the ACRE respondents came from Poznan and its suburbs, or came to Poznan for their family or life partner. The rooting in the social and family structures decided them to stay in the city or move to Poznan. Even part of transnational migrants changed their place of work and residence, and followed their partner, stayed in Poznan, and started a family. For many of them, especially those coming from Eastern Europe, finding a partner in Poland and moving to the PMR that this involved had been a change for the better in life. Not surprisingly, therefore, most of the respondents in this group assessed the quality of life in the region very highly. This high opinion, however, resulted from their finding a partner from the PMR, which determined their choice of the place of residence.

Table 3.7 - Summary matrix - Evaluation of the Poznan metropolitan region in terms of different location factors

| Location factor | Importance of the factor for the respective target group | | |
|---|--|-------------------|-------------|
| | Strong | Medium | Weak |
| 'Hard' factors | | | |
| Factor 1 Employment (job opportunities, current job) | 1+, 3B++ | 2, 3A+ | |
| Factor 2 Education (presence of good universities) | 1C+, 2A+/-, 2B+ | 1B+, 3A+, 3B- | 1A+ |
| Factor 3 Working conditions (salary) | 1B, 3A+ | 3B+/- | |
| 'Soft' factors | | | |
| Factor 1 Working environment (job satisfaction) | 1A+ | 1C+/- | 1B, 2A, 3A+ |
| Factor 2 Quality of the environment (location, image of the city, diversity of leisure) | 2A+ | 1A, 1C,+ 3B+/- | 1B, 3A+/- |
| Factor 3 Quality of life (cultural, leisure, sport and entertainment possibilities) | 2B+, 3A+/-, 3B+, 2A- | | |
| Personal trajectories | | | |
| Factor 1 Born here | 1+, 2B+/- | | |
| Factor 2 Family reasons | 1+, 3B+/- | 2B+ | 3++ |
| Factor 3 Followed the partner | 3A+ | | |

Key

| Target group | Codes |
|--------------------------|--------------------------|
| 1 Employees | creative 1A |
| | knowledge intensive 1B 1 |
| | graduates 1C |
| 2 Employers/managers | creative 2A |
| | knowledge intensive 2B 2 |
| 3 International migrants | creative 3A |
| | knowledge intensive 3B 3 |

Evaluation of the factor by the respective target group:

- ++ very positive
- + positive
- +/- neither positive nor negative
- negative
- very negative

4 DEVELOPMENT POLICIES AND STRATEGIES IN POZNAN AND THE POZNAN METROPOLITAN REGION

4.1 International references

Plans, programmes and development strategies involving urban policy, development policies of cities and metropolitan areas, policies towards creative sectors and spaces in cities and metropolitan areas have been analysed at the EU, national, regional, metropolitan /agglomeration and urban levels.

In devising urban policies, the following EU documents should be taken into account:

- The new EU 2020 strategy (a project),
- The Green Paper on Territorial Cohesion: Turning territorial diversity into strength – COM,
- URBACT: a European programme promoting sustainable and urban development (especially its creativity and governance projects), and
- Integrated management of urban environment.

So far, current strategic and political documents being drawn up for Poznan and its metropolitan area have hardly referred to the guidelines of the EU and other pan-European organisations. It is easy, however, to find similar development axes and concrete implementations of EU policies concerning sustainable development of cities, revitalisation of degraded areas, development of creative sectors, etc.

4.2 National documents

Urban policy is a set of strategic activities undertaken by the government in co-operation with regional and local governments and non-governmental organisations and entities interested in public-private co-operation. The principles of this policy are laid down by general strategic documents or those strictly focused on urban development. Poland lacks a coherent urban policy and numerous strategic documents of different time horizons include only references to the issues of development of urbanised areas. The key national strategic documents include:

- POLAND 2030: A Long-Term National Development Strategy (group of Prime Minister's strategic advisors, 2009)],
- Principles of the Management System of Poland's Development (*Ministry of Regional Development 2009*) (urban policy),
- National Strategy of Regional Development – Assumptions and Principles (*Ministry of Regional Development 2009*),

- National Cohesion Strategy (National Strategic Reference Framework, 2007-13), and
- Conception of the Country's Spatial Development 2008-2033 (experts' reports).

There is a uniform document being prepared dealing with urban and rural development in a comprehensive way:

- National Regional Development Strategy 2010-2020: Regions, cities, rural areas (a 2009 project).

The document being a draft, it cannot be expected to be implemented in urban policies yet. The national strategy emphasises the fact that a modern country which wishes to become competitive at both the European and the worldwide level needs an urban policy which would take into account guidelines for cities offered by European documents. Urban policy is that part of the country's socio-economic and spatial development policy that public authorities address to cities. Because of the horizontal character of urban policy, it ought to be implemented at all management levels: national, regional and local. The strategic aim of national urban policy should be to strengthen and stimulate growth tendencies of Polish cities using their social, economic and geographic-natural potential as well as reducing the polarisation of socio-economic development within cities (preventing the marginalisation of their districts). The priorities of national urban policy include:

- Strengthening international competitiveness of Polish cities, broadening the range of influence of metropolises and big cities on their surrounding areas;
- Urban renewal understood as a co-ordinated, complex, long-term process carried out in a problem area of a city as part of development policy and intended to prevent the degradation of urbanised space and crisis phenomena as well as to stimulate development and qualitative changes by encouraging social and economic activity, improving the living environment and protecting national heritage while maintaining sustainable development principles;
- Preventing uncontrolled suburbanisation, curbing the sprawl of building into suburban areas and promoting intensive use of urbanised areas – a pragmatically oriented urban policy ought to be the basis for rational management of the urbanised space;
- Ensuring high-quality public spaces since attractive public spaces play an important part in attracting knowledge-based enterprises and qualified workforce, thus enhancing the city's competitiveness;
- Improving the accessibility of cities, both from other urban centres and from the surrounding area.

The economic development generated by the biggest cities will then be able to be transmitted to other urban areas which constitute major nodes of Poland's polycentric settlement system and to the urbanised areas surrounding them. Creating the ability to absorb development processes initiated in the biggest urban centres has become a challenge for regional policy.

With competitiveness as its aim, regional policy will focus on strengthening the metropolitan functions of Poland's biggest cities and on creating conditions for the diffusion of development processes from the cities to suburban areas.

Regional policy will influence development factors in cities by concentrating on:

- strengthening their metropolitan functions, that is, economic (presence of management structures of crucial economic and financial institutions), academic (guaranteeing the highest standards of academic and research institutions, improving the role of higher-level educational centres), cultural and symbolic (presence of top-ranking cultural institutions, important cultural events), which all create conditions for a knowledge-based economy; and
- supporting solutions integrating metropolitan areas in terms of spatial development, mass multimodal transport (combining urban and suburban transport systems), and municipal services.

In the urban dimension, regional policy will on the one hand support cities and other areas losing their socio-economic functions and developing more slowly or not at all, despite a substantial proportion of economic growth in Poland concentrating mainly in big cities. On the other hand, degraded town districts (areas of socio-economic degradation) are targeted for support too. In pursuing regional policy, one cannot forget that even in the most developed cities there are still districts experiencing unemployment, crime, social pathology, poverty, housing stock depreciation, and a low education level. Without a goal-oriented external intervention, these areas will not be able to make use of internal factors to initiate restructuring processes. Regional policy will support extensive socio-economic revitalising activities and improvement of public space quality (e.g. by giving public space new functions). The objective of revitalising activities carried out as part of regional policy will be to prevent urbanised space from degradation, improve the living environment, restore socio-economic functions to degraded districts by improving their structure and an economic offer, and improve the quality of human capital, especially labour resources. It is essential that revitalisation should be understood as a city's development opportunity. Attractive downtown districts may not only hinder urban sprawl, but also drive their development. It should be emphasised that national-level support will be available only for those renewal measures the range and significance of which will go beyond the powers of regional and local authorities.

As in the case of EU documents, also Poland's development strategies exemplify activities already implemented at the urban and metropolitan levels. The biggest problem is implementing concrete instruments of urban policy. One of the key ones is the bill concerning Poland's Urban Policy and Co-operation of Territorial Government Units in This Field, waiting to come into force since May 2009. The document is of great significance and therefore needs discussion in the context of further development of Polish metropolitan areas.

4.3 The act concerning Poland's urban policy and co-operation of territorial government units in this field

The government bill foresees a totally new entity for conducting matters of a metropolitan area, viz. a metropolitan corps, the name of which will coincide with that of the area. By law, members of the corps will be communes and poviats wholly situated in the metropolitan area.

The metropolitan corps is to have numerous features of territorial government: it is to perform public tasks on its own behalf and responsibility, it is to have a legal personality, and its autonomy would be legally protected. On the other hand, the draft includes a clear stipulation that the metropolitan corps "is not a territorial government unit." Such a formula makes metropolitan corps resemble commune associations. The scope of activities designed for the metropolitan corps indicates that it will have both obligatory and non-obligatory tasks. The former will include such issues as:

1. Preparing development strategies for the metropolitan area,
2. Working out and passing metropolitan programmes or plans and co-ordinating local governments' activities in such fields as:
 - a. spatial order,
 - b. cultural heritage protection,
 - c. environmental protection,
 - d. supplying electric energy, heat and gas,
 - e. waterworks and water supply, the sewage system and communal sewage treatment,
 - f. landfills and communal waste disposal,
 - g. communications and mass transport,
 - h. the labour market;
3. Undertakings, including those of a structural character (this provision seems a bit too general and unclear);
4. Initiating and developing co-operation of territorial government units to achieve objectives crucial for the metropolitan area;
5. Raising public and private funds essential for performing the tasks of the corps;
6. Promoting the metropolitan area.

From this catalogue there emerges a model of the metropolitan corps as a unit endowed with three types of competence: planning, executive and co-ordinating. The metropolitan corps will be able to optionally take up tasks and activities other than those listed above for the benefit of the territorial government units from the metropolitan area if its general meeting so decides. Acts can also oblige the metropolitan corps to perform tasks commissioned by government administration.

To perform its duties, the corps will be able to enter into agreements with its territorial government units as well as their organisational units. Co-operation with territorial government units which are not members of the metropolitan corps, government administration organs and non-governmental organisations will also be possible. In the case when a given poviat only partially lies in the metropolitan area, the corps can enter into an

agreement with it on performing poviats-delegated tasks that coincide with the corps' set of obligatory tasks in the part of the poviat situated within the metropolitan area.

The internal structure of the metropolitan corps is to resemble that of a commune association. The corps' organs would therefore be:

1. the corps' general meeting – as a decision-making and controlling body, and
2. the corps' managing board – as an executive body.

The metropolitan corps would also be equipped with its own administrative body. The corps and its organs will be served by its bureau managed by the corps' director or executive director if the corps' statute provides for the appointment of such a position. The status of the executive director and the differences between this function and that of the 'regular' director remain unclear. The head of the corps' managing board would be the president of the most populous town belonging to the corps.

The draft suggests an interesting way of ensuring cohesion and co-ordination of activities of the voivodeship government and the corps in the field of development strategies of the metropolitan area and guidelines binding the communes drawing up local plans of spatial development. For this purpose, a permanent metropolitan committee is to be created which includes representatives of the voivodeship government and the metropolitan corps.

What is to become ultimately the key document for the functioning of the metropolitan area is its development strategy approved by the corps' general meeting. The strategy is subject to the provisions of the Principles of Conducting Development Policy Act of 6 December 2006, except that spatial development falls under the provisions of the Physical Planning and Spatial Development Act of 27 March 2003 concerning the framework study of the conditions and directions of spatial development.

Amendments to the Principles of Conducting Development Policy Act suggested in the draft of the metropolitan Act will make the principles of the local development strategy applicable to the strategy of metropolitan area development. For this reason, the latter should specify in particular:

1. a diagnosis of the socio-economic situation of the metropolitan area,
2. strategic goals of the development policy,
3. measures taken to reach those goals,
4. major infrastructural projects and other undertakings of special significance for those goals, and
5. a forecast of the level of public and private funds required for the implementation of the projects and undertakings.

The passing of the metropolitan Act may contribute to the breaking down of the current numerous legal barriers to management cohesion of the Poznan metropolitan region. Nevertheless, a strong lobby should be established to implement necessary changes to the project, including:

1. introducing 'agglomeration' into the name of the managing institution, a term deeply rooted among the inhabitants and politicians,
2. acknowledging the specific nature of agglomerations comprising basically one poviat-ranking city and one non-urban poviat,
3. clarifying the procedure of preparing strategies of development, including spatial development, and in particular the nature of agreements involving local authorities and the voivodeship diet.

The very prospect of the Act has stimulated activity in the Poznan metropolitan region. At the end of 2009, political leaders of the units belonging to the Poznan Agglomeration Council decided to launch work on a development strategy of the region. It will be discussed below.

4.4 Regional documents (Wielkopolska voivodeship)

The region's development policy is implemented on the basis of the Development Strategy of Wielkopolska Voivodeship until 2020 (Wielkopolska Voivodeship Diet, 2005). In terms of innovation, the document formulates a vision of Wielkopolska as a region:

1. relying on tradition and the present-day intellectual and economic potential to create innovative development foundations;
2. relying on innovation as a key factor of its socio-economic development;
3. creating an innovation-friendly environment by supporting:
 - establishment and development of innovative enterprises,
 - introduction of modern technologies to R&D units and their commercialisation, and
 - creation of a platform for co-operation between the science and education sector and the economy capable of competing with other European regions.

The Regional Innovation Strategy for Wielkopolska formulates the following objectives:

- innovation-targeted integration of socio-economic circles,
- increasing the ability of enterprises to introduce innovation,
- using the Wielkopolska research potential to enhance the competitiveness of its economy, and
- building modern innovation infrastructure.

One of the operational objectives of the Wielkopolska strategy is the strengthening of the Poznan agglomeration as a European-ranking, region-creating metropolitan centre. The Poznan agglomeration (the city of Poznan and part of Poznan poviat) is one of Wielkopolska's most significant development factors. As a source of innovation, it gives the

region its competitive position. It is a node of global information exchange indispensable for fast development of the remaining part of the voivodeship. Regions the capitals of which are thriving metropolises develop faster than other regions. From the point of view of maintaining sustainable development, those agglomeration functions which are not competitive against the rest of the region, but additionally support it, should be strengthened. This goal is implemented through:

- increasing transport links of the region's capital with the surrounding areas along with modernisation of the Poznan transport centre, including improvement of mass transport and the position of the Poznan-Ławica airport,
- developing Poznan's academic and research centre as well as supporting its connection with the economy as a source of innovation,
- improving social infrastructure serving the whole region,
- removing negative effects of the concentration of the population and economy, including revitalisation of city districts,
- expanding and strengthening the position of the Poznan International Fair,
- developing conference, congress and sports functions of a regional, national and international character,
- strengthening Poznan's co-operative links with the surrounding areas, and
- limiting urbanisation pressure on the natural environment.

The voivodeship self-government is responsible for the drawing up of a spatial development plan for the metropolitan area. There have been only two studies published so far:

- Poznan metropolitan Area – a delimitation (Wielkopolska Bureau of Spatial Planning in Poznan, 2006), and
- Development Conditions of the Poznan metropolitan Area (Wielkopolska Bureau of Spatial Planning in Poznan, 2009).

Both texts are studies in nature; no spatial policy guidelines for the metropolitan area are known yet.

4.5 Urban policy

Measures enhancing the competitiveness of the entire metropolitan area, increasing its structural and spatial cohesion, the development of modern sectors of the economy, and encouraging creative social initiatives mostly depend on local policies. Also the operation and development of the creative sectors are mainly a bottom-up process rather than the result of direct activity of the central authorities, whether legislative or financial. The local (city and commune) authorities themselves initiate strategic solutions in such fields as the development of creative sectors and modern services, increasing their availability and quality, the knowledge-based economy, etc.

Globally defined development trends in the service sector are generated by local measures and local development policies. Over the decade, the Poznan authorities have adopted and implemented numerous development programmes. The most essential ones include (documents being implemented or expiring):

1. Development Plan for the City of Poznan for the Years 2005-2010
2. Academic and Scientific Strategy for the City of Poznan (since 2005)
3. Urban Strategy of Social Policy (since 2003)
4. Waste Disposal Plan for the City of Poznan (since 2004)
5. Urban Renewal Programme for the City of Poznan (since 2006)
6. Local Road Building Programme in the City of Poznan for the years 2005-2015
7. Informatisation Strategy of the City of Poznan (since 2004)
8. Sustainable Plan of Public Transport Development in the Poznan Agglomeration for the years 2007-2013.

In the period from the beginning of the economic transformation (since 1990), urban policy have primarily been concerned with ownership changes, devising new land, fiscal, spatial etc. policies, restructuring the entire economy from the production sector to services, and making up for delays in technical and social infrastructure, that is, with processes strictly related to the creation of the city's new economic base and improvement of its inhabitants' life quality. This all happened at the time of development of globalisation processes, to which the authorities of the city and neighbouring communes responded, to put it mildly, in a liberal way. In the face of the multitude of tasks, urban policy could not perforce be coherent or long-term, and its instruments did not always comply with the best West European standards. Moreover, there were no legal or planning instruments binding urban policy with the development of the suburban communes.

The major drawbacks of Poznan's urban policy in the recent years are:

- the sectoral character of measures focused on solving problems in specific domains of socio-economic life (e.g. public transport, healthcare, public security, environmental protection, support of entrepreneurship);
- a multiplicity of strategic planning documents defining similar objectives while do not always having concrete instruments to attain them;
- lack of a uniform development policy for the city and its surroundings (the metropolitan area); and

- a multitude of decision-making entities in the metropolitan area (local commune and powiat authorities and voivodeship authorities of a dual central government-local government character).

At the close of the decade and the beginning of the next, there appeared new strategic documents and urban development programmes which will determine the development pattern in the nearest future. These are (new documents being implemented or drawn up):

- Multi-year Investment Programme (2009-2013)
- Study of the Conditions and Directions of Spatial Development (a 2008 update)
- Management System Policy (2009)
- New Strategy of the Poznan City Brand Name (2009) – "*Poznan* the city of know how*"
- Development Strategy of the City of Poznan until 2030 (a 2009 project).

Special consideration should be given to the Development Strategy of the City of Poznan until 2030, which makes provision for a new philosophy of the city's development. It is a document performing several functions. It has a political function, since it specifies the local authorities' policy in terms of the city's long-term development objectives. It has an informative-marketing function as it informs the local community, business entities, and local and external institutions about the development priorities adopted by the city authority, thus helping people to make their own decisions. It has also an important causative function in that it initiates an animated and broad discussion among representatives of many different circles about the city's current condition, visions of its strategic development, and ways proposed to achieve the set goals.

The Development Strategy of the City of Poznan until 2030 has been created considering all methodological and substantive standards appropriate for the working out of a development strategy of territorial government units. The starting point was an attempt to assess Poznan's present position on the development path, the city's condition, weaknesses and strengths of its socio-economic potential, opportunities and external threats that may affect its development, and tendencies in its broadly understood surroundings that can hinder or stimulate its growth. The next stage involved reflection on a vision of Poznan in twenty years' time as a city which ought to face up to specific challenges in order to achieve a desired condition. This vision of Poznan in 2030 has been put succinctly into one sentence: *Poznan as a metropolitan city with a strong economy, high quality of life, and relying on knowledge in its development*. The vision has been complemented with a mission which embraces a general description of the principles, values and ways of implementation of the vision. The transition from reflection on the idea of Poznan in 2030 to the third stage, that is, the sequences of steps to be taken to achieve the desired condition of the city, involved the formulation of strategic and intermediate goals as well as strategic programmes, which are listed below. Those connected with the development of the creative knowledge sector are in bold:

Academic and Scientific Poznan, Digital Poznan, Clean Poznan, Cultural Poznan, Metropolitan Poznan, The City on the Housing Market, Civic Poznan, Modernist Housing Estates in Poznan, Poznan Markets and Squares, Socially Sensitive Poznan, Space for Business, Post-Industrial Areas, Development of the Lake Malta region, The River in the City, Sporting Poznan, Tourist Poznan, Knowledge for Business, High Quality of Education and Upbringing, Healthy Poznan, Sustainable Transport Development, and The Third Transport Frame).

The main objectives of the Metropolitan Poznan programme embrace:

- creating the organisational, administrative and informative structure of a metropolis;
- Poznan as a provider of higher-order services for the metropolitan area; and
- improving the city's role in the European metropolitan network (active participation in organisations which associate metropolises).

The spatial policy specified in the Study of Conditions and Directions of Poznan's Spatial Development is implemented via administrative decisions allowing the location of business undertakings based on knowledge and human capital, common business initiatives within the PMR (clusters, economic forums), and support for projects that build up the city's prestige as the core of the PMR and enhance its international status (organisation of various events, conferences, etc.).

This activity complies with the attempts that the city has made so far to organise prestigious international events. It is the venue of the International Fair, numerous European and world congresses, and cultural and sporting events. In 2008, Poznan hosted the United Nations Climate Change Conference – COP 14, and in 2009, the Taizé European Youth Meeting. In 2012, the EURO 2012 Football Cup will be held in Poznan. The city has been making efforts to organise such events as the Youth Olympic Games 2014, the Summer University Games 2015, and the European Cultural Centre 2016.

For the purposes of the city's development strategy, expert evaluations and diagnostic studies have been carried out:

- Model Cities. Pathways of Creative and Knowledge-based Development
- Knowledge-based Economy in Poznan (W. Gaczek)
- Creative Sector in the Poznan Economy (T. Stryjakiewicz et al.).

The last of the above-mentioned studies emphasises that the development of the creative sector in Poznan's economy is an example of one of the crucial development challenges listed in the Polish government's report "Poland 2030", viz. the growth of competitiveness relying on a knowledge-based economy and intellectual capital, as well as those formulated by the Economy and Science group in the Development Strategy of the City of Poznan being presently drawn up. According to the latter document, Poznan is to become:

- a university centre of European significance,
- a city of modern enterprises capable of competition on the global market, and
- a city attracting highly-qualified, creative, active and enterprising people.

Those aims coincide with both, theories of the formation of the creative sector as well as the city's resources and assets which stem from its development path so far. The implementation of the strategy can enhance Poznan's international importance in the European metropolitan network as stipulated in the Poland 2030 report, while the creative sector can be one of the major stimuli to the growth.

4.6 Towards the development strategy of the Poznan agglomeration

In 2009, identifying the Poznan agglomeration's major development potential and problems as well as working out a medium-term development strategy (until 2020) common to its units (towns and communes) became the core of the Functioning and Development Directions of the Poznan Agglomeration research project. Planned for 2.5 years, it combines the theoretical aspect (development of an agglomeration research methodology) with cognitive (diagnosis of the way agglomerations function) and application ones (working out of a development strategy for the Poznan agglomeration). The project is a consequence of an agreement between the local government units and the four biggest Poznan universities with a research potential in natural, economic, social, technical and spatial sciences.

The suggested method of working out and implementing a development strategy for the Poznan agglomeration allows for the present legal status and level of organisational advancement in the agglomeration, various possible co-operation forms of local governments wishing to co-operate within the metropolitan area, and readiness of the community living in the agglomeration. With those circumstances taken into account, a model of a strategic planning cycle for public and non-governmental organisations has been suggested, based on J.M. Bryson's concept (2004) and modified for the needs of the Poznan agglomeration. The model defines a strategic planning process for public and non-governmental organisations as well as for local communities. The following study has come out so far:

- Functioning and Development Directions of the Poznan Agglomeration – a 2009 diagnosis (Metropolitan Research Centre, Consortium of the Poznan Agglomeration Research).

A 2020 Strategy of Poznan Agglomeration Development is being prepared; it is planned to be adopted in 2010.

5 INSTITUTIONAL STRUCTURE AND GOVERNANCE ARRANGEMENTS

5.1 Key stakeholders in economic development policy

Economic development policy is not the major domain of local government's activities, hence it is subject mostly to market mechanisms and the state's economic policy. Nevertheless, a limited fiscal policy, spatial policy, investment policy, a local development strategy and promotion fall within the competence of the local authorities. The other governing entity, apart from the PMR-based local governments, is Poznan powiat, which performs specific labour-market related tasks. The regional level is the remit of dual local-government/ central-government administration. The tasks of the former, backed by EU funds, include support for entrepreneurship and socio-economic development, whereas the latter implements the central government's policy in the voivodeship and the Poznan metropolitan area, especially in the field of national-level infrastructure.

Co-operation of the three levels of territorial governance pertains mainly to political matters. There are no co-ordinating institutions, joint committees, and organisations which would support economic and social development in the metropolitan area. Even in such a crucial field as spatial planning, the PMR is an area of autonomous policies of its member communes, with no separate platform for metropolitan planning. This is clearly due to a lack of legal solutions which would enable co-ordinating and integrating economic development in the entire metropolitan region.

In the case of local government units, it is possible to intensify bottom-up co-operation to create a proper institutional and information base in order to conduct metropolitan development policy. The following solutions are possible:

- a separate organisational unit within the Poznan City Hall or Poznan Powiat Office (e.g. an office, department, group),
- an autonomous organisational (budgetary) unit of the city of Poznan or the Poznan powiat
- a Poznan agglomeration development agency in the form of a commercial (joint stock or limited liability) company,
- an inter-commune association, e.g. for the implementation of the metropolitan development strategy
- a powiat association (of Poznan city and Poznan powiat), and
- a metropolitan association (of the PMR towns, communes and the powiat).

The political will to co-operate should be supported by concrete organisational and technical backup. If the Agglomeration Council were granted a proper legal form, its political decisions would set in motion specific mechanisms of territorial governance and economic development.

The PMR accounts for more than 40% of firms registered in Wielkopolska voivodeship, including nearly 60% with the participation of foreign capital. The unemployment rate is low (under 4% even seasonally), job seekers constitute less than 20% of the unemployed in the whole of voivodeship. The good economic condition means a good climate for investment and good operating conditions for companies. Aside from trying to attract investors and organising promotion campaigns, local governments also maintain their own shares in municipal companies, e.g. water supply and transport companies, thus controlling the rendering of services in the metropolitan region. In 2009, the city took over a regional bus transport company. Its aim is to offer transport within the Poznan metropolitan region and to create a municipal transport association. In 2007, a special-purpose company was established to build the infrastructure necessary for the final tournament of the EURO 2012 Football Cup. Sub-zones of special economic zones have been set up in the PMR areas which offer investors facilities and concessions in implementing their ventures. Their beneficiaries include such major investors as Bertelsmann, Kimball Electronics, MAN, Rehau, Skoda Auto Poland, and Volkswagen.

The core city of the PMR – Poznan – is Poland's unquestioned commercial capital despite growing competition in this realm. There are 50 various international fair events organised here every year, with more than 10 thousand exhibitors from 60 countries of the world. The Poznan International Fair occupies a dominant position among exhibiting enterprises in Poland and is one of the leading international fairs in Europe. The city of Poznan is a co-owner of the International Fair company and strives to take over the majority shareholding from the State Treasury. The Poznan International Fair has fundamental significance for Poznan's economic life and the local authorities would like to secure this state by acquiring a decisive influence on the way the company functions.

Increasingly crucial actors on the scene of local development creation are social organisations. In 2008, there were 3.3 thousand associations, social organisations and foundations registered in the Poznan metropolitan region, or 34.7 per 10 thousand inhabitants. In comparison with 2000, their number has grown considerably, with the growth dynamics being higher in the suburban zone. 16% of the PMR residents belong to social organisations. These are mostly young people or those in the pre-retirement or retirement age group, with either higher or secondary education (Rynek pracy... 2010). A vast majority of respondents (70% of those interviewed) declare financial support for various social initiatives. The PMR inhabitants' social participation as measured by voter turnout was decidedly higher than the average turnout in Poland in the parliamentary elections of 2007 and the presidential election of 2005, and a little bit lower in local government elections.

Table 5.1 - Voter turnout in the Poznan metropolitan region

| Communes | Voter turnout | | | |
|-----------------|---------------------------------|--|---------------------------------------|----------------------------|
| | 2006 local government elections | 2007 parliamentary elections - lower house | 2007 parliamentary elections - senate | 2005 presidential election |
| POZNAN | 42.8% | 69.1% | 69.1% | 59.4% |
| peripheral area | 48.2% | 60.3% | 60.3% | 52.4% |
| PMR total | 45.5% | 64.7% | 64.7% | 55.9% |

Source: Materials of the National Electoral Commission, www.pkw.gov.pl

5.2 Types of interaction between stakeholders

With the emergence of new development factors in the recent years (globalisation, Poland's accession to the EU, intensive suburbanisation processes, development of a knowledge-based economy), administrative units belonging to Poznan metropolitan area had to face the challenge of restructuring their governance model. The necessity to rescale communal governance pertains mainly to four aspects:

1. inter-commune co-operation embracing the entire metropolitan area, especially in the field of public transport integration, spatial planning, and communal and social services;
2. co-operation of local governments with local and global enterprises in such fields as e.g. urban infrastructure development, promotion, supporting the economy and investors, or using private entities to implement public investment;
3. co-operation with the dynamically growing number of social organisations being set up in the PMR, and with educational institutions, especially in such fields as housing, education, healthcare, culture, sport and recreation; and
4. co-operation with the university circles in supporting management and socio-economic planning by academic experts.

In all the four domains a lot remains to be done as a result of years of neglect, excessive autonomy of local government activities, lack of co-operation with business entities, and poor use of local social and scientific capital by the authorities,. Nevertheless, one can give a few good examples of practices connected with co-operation of the local PMR governments with business entities, non-governmental organisations and scientific circles. They mark the beginnings of governance development in the Poznan metropolitan region.

5.2.1 *Co-operation of local governments*

Inter-commune co-operation assumes various legal and institutional forms in the PMR. That of a special-purpose association has had very limited significance so far. The following factors confirm the very minor role so far of inter-commune associations for the region's governance cohesion:

- a small number of actively functioning associations,
- a limited substantive range of co-operation (one or two domains),
- a small spatial range – from the point of view of the PMR as a whole, integration has a sectoral character and Poznan city does not belong to any of the associations.

There are five special-purpose commune associations in the Poznan metropolitan region, although only two involve at least a few PMR communes: the Zielonka Forest (based in Murowana Goślina) in the field of sewerage system and tourist development, and the Waste Disposal Centre SELEKT (based in Czempin) in the field of waste management. The biggest role in water supply and sewage disposal is played by co-operation of Poznan with nine surrounding communes in the form of a communal agreement, and by the joint stock company Aquanet, in which the city has a majority shareholding. Some PMR communes, while neither parties to the communal agreement nor Aquanet shareholders, maintain typically market relations with the company as wholesale parties contracting water supply and wastewater disposal.

The form of a communal agreement, now the most significant instrument of governance cohesion in the PMR, is applied primarily in:

- local mass transport, pre-school education, children care in day care centres, road and bridge building – agreements between the Poznan poviats communes and the city of Poznan,
- the labour market and support of entrepreneurship, fire protection, psychological and pedagogical counselling, social care, emergency medicine – agreements between Poznan poviats and the city of Poznan.

The PMR local governments participate in numerous commune and poviats associations, but only a few of them are typically metropolitan in character. The most outstanding exception is the Local Poznan Tourist Organisation with the city of Poznan, Poznan poviats, and nine PMR communes as members. Its statutory objective is to support the development of the tourist market in “Poznan and the Poznan metropolitan region” and to promote them as places attractive in tourist terms. A few communes in the southern part of the PMR have set up the Association of Communes of the Wielkopolski National Park Microregion, the main objective of which is action for sustainable development of tourism and recreation.

There are also common organisational units of the poviats-level government administration for Poznan city and Poznan poviats in the PMR, viz. municipal police and fire brigade headquarters as well as the poviats labour office. Although the police and the fire brigade are not directly responsible to the local authorities, their activities guarantee some measure of governance cohesion within the PMR.

A very important step on the way to greater institutionalisation of the PMR as an urban agglomeration with coherent territorial governance was the Co-operation Agreement among the Local Governments of the Poznan Agglomeration signed on 15 May 2007. Its signatories were the city of Poznan, Poznan powiat, and the 17 suburban communes belonging to the powiat. The parties to the agreement established an Agglomeration Council, or a Permanent Conference of Commune Heads and Town Mayors of the Poznan Agglomeration as well as the President of Poznan City and Head of Poznan Powiat, with the Deputy Speaker of the Senate of the Polish Republic, the Wielkopolska Voivode (Governor), and the Marshal of Wielkopolska Voivodeship as patrons. At the beginning, the Council was to function as a forum for information exchange among local government units and for establishing the domains of co-operation to be translated later into concrete legal forms. They expressed their readiness to co-operate in such fields as: supporting business initiatives, marketing activities, the municipal economy, mass transport, education, healthcare, and spatial policy. The goal of the co-operation is to improve the PMR inhabitants' quality of life and enhance its status on the Polish and European arena by working out common policies on investment, road building, environmental protection, healthcare, communications, and other domains.

In 2008, the Poznan Agglomeration Council was enlarged by admitting three communes which are not part of Poznan powiat: Szamotuły, Śrem and Skoki. However, work on establishing inter-commune associations in the two key fields for the agglomeration – waste disposal and public transport, had not been concluded by November 2009. One of the effects of the Council's activities over the last three years has been the creation of the Special-Purpose Commune Association “Waste Management in the Poznan Agglomeration” (now at the stage of registration and working out its statute). At the start, only ten communes (including one from outside the PMR – Oborniki) will join the association. At the end of 2009, a letter of intent was signed for the creation of the Poznan Transport Association, the signatories of which are the communes of Poznan, Luboń, Mosina, Puszczykowo, and Murowana Goślina. In the letter, they express their willingness to co-operate and create an association performing tasks in the field of local mass transport.

Conclusions drawn on the basis of surveys carried out among the PMR residents and interviews with local politicians indicate that there has undoubtedly appeared quite a highly-developed social and political awareness of problems and challenges common to the city and its suburban communes (Kaczmarek, Mikula 2009). There is a social space for closer co-operation in territorial governance, but all undertakings within this field ought to be promoted among the inhabitants more intensively. All in all, the key element which will decide the future of governance integration in the PMR will be local leaders' readiness to co-operate and their determination to achieve the set goals. This model, described in the literature as *multigovernment*, assumes horizontal and vertical co-operation of fragmented administrative units. Perhaps the Poznan metropolitan region will take this direction in its territorial-administrative structure in the future.

The term ‘governance’ applies also to the conception suggested by the Poznan authorities of decentralising urban administration and creating 16 districts with much wider powers than the traditional supporting units. While the number of governing units in the PMR would grow, the relations between the big city and the smaller communes would take on a more partner-like form. The experience of inter-commune co-operation within the Poznan metropolitan region

shows that the building of communal relations is more advanced among communes of equal status than between them and the core city.

Table 5.2 - Governance cohesion within the Poznan metropolitan region – a SWOT analysis

| Strengths | Weaknesses |
|--|--|
| <ol style="list-style-type: none"> 1. Good examples of governance integration: flattening of governance structures at poviats level (common units for Poznan city and poviats in fire fighting, labour market and police issues) 2. Setting up of Poznan Agglomeration Council 3. Co-operation in transport and waste management, and common animal shelter 4. Establishment of Metropolitan Research Centre – backup of experts for integration process 5. Advantageous territorial-administrative structure in terms of PMR integration 6. Local politicians' readiness to co-operate more closely 7. Recognisable political leaders of integration process: City President and Poviats Head 8. Social approval for closer co-operation between city and suburban communes | <ol style="list-style-type: none"> 1. Lack of solid integration basis – metropolitan act 2. Statutory limitations on communal co-operation between commune and poviats level 3. Not too pleasant communal co-operation experiences in the PMR over the last 20 years 4. Long legal procedure of setting up integration forms, especially special-purpose associations 5. Lack of integration leaders among commune heads and town mayors 6. Weak promotion of PMR integration idea 7. Poor knowledge of Agglomeration Council among PMR inhabitants |
| Opportunities | Threats |
| <ol style="list-style-type: none"> 1. Ever better social atmosphere for co-operation (social pressure) in problem situations 2. Adoption of PMR development strategy broadening governance integration front in it 3. Drawing up realistic strategic programmes for forms and areas of integration and their financing 4. Establishment of international co-operation in exchange of experience in governance integration 5. National co-operation among agglomerations, lobbying for governance integration 6. Existing EU funds for integration measures | <ol style="list-style-type: none"> 1. Abandonment of passing a metropolitan act within a few months/years 2. Deepening of financial recession of communes and lack of funds for integration measures 3. City's revenge activities towards communes for their failure to co-operate (e.g. in the field of PMR-level services: public transport, culture, education) 4. Unknown effects of communal elections for integration (attitudes of newly chosen local politicians) |

Source: Kaczmarek, Mikula 2010

5.2.2 Co-operation with the economic sector

A good example of co-operation and building up mutual relations between entrepreneurs and local authorities is the Economic Forum of the Poznan Agglomeration, which has become a permanent item in the region's calendar of events. Discussed during the annual meetings are issues of long-term investment activation of the PMR, investments for EURO 2012, and innovative technologies in the region. The speakers in panel discussions are representatives of government organs, non-governmental organisations, scientific circles and research institutes, the mass-media, local governments, and business people. The mission of the Economic Forum is to create a favourable atmosphere for economic and local-government co-operation,

to promote the region's economic potential, and to enhance its attractiveness to investors and residents within the framework of sustainable regional development.

An initiative encouraging the sector of medium-sized, small and micro-enterprises in the PMR is the cyclic competition for the title of the Poznan Entrepreneurship Leader. The heads of Poznan city, the International Fair, Poznan Poviast and the Wielkopolska Voivodeship Economic Convention have been patrons of the contest since 2003. The main goal of the competition is to help outstanding SMEs in establishing a firm position on the market by giving them an opportunity to present their offer to a wide group of partners and prospective customers. Another aim of pivotal importance is to promote and popularise examples of successful implementations of innovative products, services or technologies worked out in the Wielkopolska research centres. Additional objectives are to popularise examples of the winners' success and good practice among business novices, and to promote the image of the PMR as a friendly environment for entrepreneurship development among investors and exhibitors.

So far, no comprehensive model of co-operation between local administration and the business sector has been worked out. Neither are there separate institutions to organise the co-operation. A lot remains to be done in this field. What arouses hope is the development of public-private partnership (PPP) in investment. The idea of the partnership is making use of private entities to perform public tasks so far in the domain of the public sector entities. Experience shows that PPP does best when charged with public tasks of a commercial nature. Those are undertakings as a result of which an infrastructure has been created which allows not only a return of the costs borne, but also making a profit. Despite quite a precise regulation of the matter by the 2005 Public-Private Partnership Act, no big PPP project has been implemented under it in Poznan, which is due to its faulty character, i.e.:

- the wrong assumption that PPP should be applied only when it is more profitable than other possible ways of implementing a given venture;
- excessive formalism at the stage preceding the decision to give an undertaking the PPP form, imposing on a public entity the duty to conduct many analyses, e.g. economic-financial ones, of doubtful use; and
- the duty to provide extensive reports during PPP implementation.

5.2.3 Co-operation between local administration and social organisations

For several years now Poznan has been co-operating with non-governmental organisations in order to use the potential inherent in the co-operation of the public sector with the NGO sector. The experiences acquired so far from mutual relations not only reveal systemic gaps and domains which need correction, but also exemplify fast development of the third sector of a democratic country. Over the years, Poznan as an enterprising and innovative city has been trying to work out new, effective ways of co-operation both locally and in the international arena. The city follows the provisions of the 2003 Public Benefit and Volunteerism Act, which sets down general principles of co-operation between public administration and non-governmental organisations as well as other entities conducting public benefit activities in Poland. Under section 5 of the Act, the co-operation mostly involves commissioning NGOs to

perform public tasks, informing the other side about planned activities and co-operating in harmonising them, as well as consulting about drafts of regulatory acts concerning statutory NGO activities and establishing common initiative and advisory groups in this field. The organisations have become not only executives of tasks, but also their initiators and participants of the process of drawing up regulations, which enhances greater flexibility and creativity in the approach to co-operation-related problems and makes the partnership real. Also helpful in relation-building is the fact that the catalogue of statutory co-operation forms is not a closed list and has only an exemplary character, which makes it possible to introduce many more innovative co-operation forms to it. The main co-operation principles are: subsidiarity, autonomy of the parties, partnership, effectiveness, fair competition, and openness of actions. Building partnership relations with the third sector and supporting public benefit activities constitute a crucial element of the local policy of Poznan self-government.

To make the foundations of mutual relations between organs of the local public authority and NGOs explicit, on 26 September 2006 the Poznan City Council passed a resolution adopting the Charter of Co-operation of the City of Poznan and Non-Governmental Organisations. An element of the long-term City Development Strategy, the Charter defines the principles, forms and scope of co-operation of the city's self-governing bodies with NGOs. The co-operation involves the performance of Poznan's statutory public tasks, identification of social needs significant to the inhabitants (regular monitoring of their quality of life), and work on systemic methods of solving problems of local communities. The city intends to develop co-operation with the non-governmental sector, which is a crucial element of local development. Working out a common platform of activity enables citizens to participate directly in designing the city's socio-economic policy, while information exchange and co-operation of the city authority with the non-governmental sector creates a favourable climate which leads to mutual education and in consequence to a broadening of the sphere of activity.

Poznan's financial co-operation with non-governmental organisations, which manifests itself in commissioning them to perform priority public tasks, embraces the following fields:

- Prevention and social assistance
- Activities supporting economic development, including entrepreneurship
- Research, education and upbringing
- Healthcare and health promotion
- Activities for the disabled
- Culture, art, protection of cultural resources and tradition
- Popularisation of physical culture and sport
- Sightseeing and leisure of children and the youth
- Ecology, protection of animals and natural heritage
- Popularisation and protection of consumer rights
- Support of development of local communities.

Subsidies from the Poznan City Hall for entities from the non-governmental sector amount to 50 million zlotys annually (according to the “Report on Annual Implementation of the Co-operation Programme of the City of Poznan with Non-Governmental Organisations”).

To improve the dialogue of the administration with the inhabitants, a Social Consultation Platform of the Poznan City Hall was created in 2009 under the programmes of Non-Governmental Poznan and E-Poznan. Issues to be discussed appear in the form of moderated threads. Apart from an Internet forum accessible to users, the City Hall opens Internet chats with persons responsible for the implementation of undertakings consulted on the Platform. Some discussions and debates held in the Session Chamber of the City Hall are broadcast online. The Platform is administered by moderators, who are either City Hall staff or persons involved in the issue in question and appointed by the City Hall.

5.2.4 Knowledge-based governance

Prospects of co-operation of local governments and the academic circles on the creation of the Poznan Agglomeration Development Strategy look very promising. The Agglomeration Council members have been unanimously in favour of launching work on the strategy and have entrusted the task to a Consortium of four Poznan institutions of higher education (Adam Mickiewicz University, University of Economics, University of Technology, and University of Life Sciences), co-ordinated by the AMU Metropolitan Research Centre operating since 2009. The Consortium has prepared two documents:

1. Diagnosis of the Agglomeration Functioning within more than 20 fields, and
2. The Green Paper of the Poznan Agglomeration – a pre-strategy presenting development directions and submitted to public debate in 2010.

The latter document is a catalogue of issues which should be taken into special consideration. These are the following functional and spatial problems of the agglomeration:

- network problems (communications and technical infrastructure, public transport),
- “cross-border” type of problems (nature protection, landscape parks, tourist routes, bicycle tourism),
- more efficient and cheaper services (health, education, social and cultural services),
- tasks beyond the local units’ competence (struggle with unemployment),
- problems which require solidarity in participation (maintenance of roads and supra-local institutions),
- problems which arise in emergencies (prevention of catastrophes, natural disasters, rescue),
- prevention of unfavourable phenomena that lack proper legal regulation (e.g. unrestrained suburbanisation, “spatial disorder”, unauthorised investments).

The academic community along with the local administration have been drawing up such strategic programmes as the Poznan Development Strategy 2030 and Poznan Agglomeration Development Strategy 2030 as well as sectoral strategies of the promotion of the agglomeration's brand name, metropolitan railway development, labour market monitoring, and a study of the agglomeration's spatial development. One of the programmes implemented since 2008 is Academic Poznan, which propounds close co-operation of Poznan authorities with Poznan university circles, and a new programme, Knowledge-Based Local Government, which assumes the creation of a co-operation network of local governments and research groups monitoring the social, economic and ecological situation in the agglomeration. The programme foresees:

- establishing agglomeration groups of experience exchange (AGWD) in order to compare measures taken to date, introduce standardisation, and develop and popularise the best practices in the particular domains of public governance,
- creating databases (AGLO-STAT) to compare the effectiveness of measures carried out by the local governments of the agglomeration, and
- introducing permanent and regular public opinion monitoring concerning agglomeration-related issues (AGLO-BAROMETR).

6 CRITICAL EVALUATION OF STRATEGIES AND POLICIES

6.1 Debates and public controversies over current policies and strategies

6.1.1 Analysis of press documents

Issues of the socio-economic development of Poznan and the plans, programmes and projects concerning it are often a focus of attention of the local press and a subject of public debate in the mass media, especially in the press and on Internet forums, but also on the radio and television. The temperature of discussion always rises when a new document involving development or a new idea or conception comes to light, or when local elections are coming round. However, what is discussed then is not merely the presented policy of urban development or plans of the implementation of concrete ventures, but also ideas and opinions of journalists, residents, politicians, less commonly representatives of the scientific circles, expressed in the media and on the Internet. A characteristic feature of the discussion is its being dominated by news people (which is understandable because of their specialisation), but also by a small number of contributors who often want to impose their points of view. The discussion in the media focuses largely on those problems and situations that affect the city's performance and decide about the quality of life in it and the service of its inhabitants. And those problems often depend on the model of urban development pursued by the local authorities and on ways of implementation of the targets adopted. There are also highly specific problems resulting from critical situations or some decisions of the city authority, especially those financially involving the residents.

An object of special attention is nearly always the city President, criticised for his point of view and opinions concerning urban development policy and its implementation, his style of administration, the long time in office, etc. While this is understandable, since measures taken by the President and his team need not be acceptable to everyone, it is surprising that no effort has been made to assess the costs and benefits resulting from the development policy pursued by the city authority.

2010 is the year of the local elections, and this fact has for months animated the discussion about the city's development and development policy. Coming from representatives of various groups of Poznan residents, all voices in the discussion are highly important whatever their contribution. They make up what is known as public opinion, although some express sharp criticism while other propose concrete measures or solutions. Still, each voice should be given attention, especially when striving to work out a policy that would enhance the competitiveness of Poznan, primarily through the development of the creative and knowledge-intensive industries.

Naturally, the local press, or more precisely the local edition of the national daily *Gazeta Wyborcza* and *Polska - Głos Wielkopolski*, present the basic assumptions of plans and projects concerning the development of the city and the policy of the authority in this field. They also publish discussions and polemics that are then continued on Internet forums (e.g. the portals *My Poznaniacy*, *Gazeta.pl Forum (Poznan)*, *epoznan*, *MM - moje miasto*, or *Ezoterycznypoznan*). The debate focuses primarily on such basic problems as spatial development, living conditions, deficiencies of the municipal infrastructure, investment policy, revitalisation of degraded areas, and future directions of development. Also discussed is the style of governance, including the role of public participation. However, when making a survey of press publications, none were found that would directly address a policy and strategy of development of the creative knowledge sector.

What gave rise to an animated debate was the launch of Poznan's **marketing strategy** in the spring of 2009 devised to promote the city and attract investors. The presentation of the strategy was preceded first by displaying the logo of this strategy in some vital places (a blue star resembling that on an ambulance, with a slightly elongated lower left ray) and then the entire slogan: *POZnan* the city of know-how*. The stars displayed in public kept people guessing; when asked by reporters, most passers-by suggested a connection with health care. On 20 March 2009 *Gazeta Wyborcza* announced that this was the first stage in the Poznan promotional campaign. Its strategy had been designed by a consortium consisting of the advertising agency Just and the Institute for the Competitive Economy of Regions for 2.9 million zlotys (about 200,000 Euro), while its implementation was to cost 25-30 million zlotys (6-7.5 million Euro). Both the strategy and the cost of its preparation and implementation started a discussion that has been going on until today, especially on Internet forums. Apart from brief, general praises of this idea of the city's promotion, there have also appeared voices denouncing its infantilism and futility as well as the high cost of its implementation when compared with the modest effects anticipated. However, it is not the promotion itself that is important here, but its substance. According to the authors of the strategy of *POZnan* the city of know-how*, its promotion should rest on such pillars as: (1) culture and art, (2) design, (3) leisure time, (4) management of human resources, (5) business, and (6) highly professional services. While the selection may raise doubts (mixing up resources and activities, non-disjunction of the pillars, etc.), it should be observed that those pillars include creative activities (culture and art, design) and those demanded by the knowledge-based economy (highly professional services). The firms listed in the promotional action as the visiting cards of the city of know-how (e.g. in a YouTube multimedia commercial spot) include: Allegro (an Internet sales firm), Lech (a sports club), the Malta festival of street theatres, Piotr & Paweł (a Poznan chain of delicatessen shops), W. Kruk (renowned Poznan jewellers), the Old Brewery Centre of Arts and Business, Volkswagen (a car manufacturer), Nivea (a well-known cosmetic cream of the firm Beiersdorf produced in Poznan), and Kompania Piwowarska (a beer manufacturer). Those firms, in the opinion of the authors of the promotion, are supposed to give Poznan the label of a city of know-how. This is a somewhat peculiar understanding of the term know-how, which tends to be associated with science, technology, innovations etc., rather than with football, beer, delicatessens, a street theatre, the Nivea cream known for decades, or Volkswagen cars. That is why in the Internet discussion people doubted the competence and qualifications of persons who have worked out the strategy. Its main author and executor defended himself against those

accusations in *Gazeta Wyborcza* thus: "Poznan has a technology of success to offer in a variety of fields, from the Lednica events⁴ through design to the social phenomenon of Kolejorz⁵. For some reasons this succeeds here. And people in Poland vaguely associate the city with something like that. We have to fix it in their heads that this is in fact so, and that this is primarily a benefit to them".

A significant element of the city's new marketing strategy is **the role of design**. The above-mentioned author has published several articles in *Gazeta Wyborcza* justifying this idea. In one of them we can read:

"The city of design is not afraid of cheap competition. A city living mainly off factories never sleeps peacefully. If the chief asset of a city is cheap investment land and a low price of labour, it is always possible to find a place in the world offering even cheaper land and labour. Then the city of factories crumbles to the ground wailing about cheap, dishonest competition. The city of design need not wail. Its chief asset is not cheapness, but a combination of imagination, knowledge and skills, impossible to imitate. An important fact is also that the city of design attracts university graduates."

"The city of design keeps being open and full of fresh trends. Design is always based on innovation, novelty and originality to some extent. Designers are often eccentric and spontaneous. That is why the city of design need not fear decrepitude and fossilisation. People keep coming to it to make their début, and some miss their aim while some create a sensation. The city of design becomes younger spiritually. Design gives the city a unique image."

"Several Polish cities try to champion technology; none, design. Design gives a specific character to cities, both those whose image largely rests on design (Milan, Glasgow, San Francisco) and those known for other qualities (Berlin, Copenhagen, Barcelona). What is more, through design a city can join the world leaders fairly quickly."

"Finally, the city of design is prettier, more interesting and richer than other ones. Design involves an arrangement of space, creation of order, of a well thought-out system of elements. Such an order and spatial attractiveness is what Polish cities lack, Poznan included. There is nothing to wait for here. The more design settles in Poznan the better, i.e. the prettier."

Critics of the above views note that in the understanding of their author almost everything qualifies as design, and his belief that design is capable of healing the economy of each city is exaggerated. In their opinion, it is obvious that when planning the development of a city one cannot neglect any field capable of developing, including design, especially that it rests on creativity. It should be kept in mind, however, that none of the cities referred to above owes its rank, significance, economic potential and competitive position to design. Milan, the author's favourite (with the so-called Milan strategy that he proposes for Poznan) is a city of

⁴ Lednica is a place near Poznan associated with the beginnings of Polish Christianity and statehood where religious meetings combined with artistic performances are organised each year which attract up to 100,000 young people from Poland and abroad.

⁵ Kolejorz is the popular name of the 1st-league railway sports club Lech, known in Poland for its highly active fan club.

industry, new technologies, science, art, trade, tourism, cultural events, especially musical, and fashion. This suggests, therefore, that fashion (or more broadly, design) can only be one of the factors of the development and greater competitiveness of a city.

One can risk the statement that the discussion about the marketing strategy of Poznan is being gradually replaced by that about the general directions of urban development (*Gazeta Wyborcza* of 17 Sept. 2009). **The development policy** pursued by the city authority has been termed 'Grobelism' by some journalists (from the President's name Grobelny). They claim that *"it involves maximisation of the city's profits at the cost of its residents"* and emphasise that *"this policy does not lead to an enhancement of the quality of life in the city, but sometimes even to its deterioration. (...) More and more Poznan citizens are aware that the money does not come back to them in the form of investment the city needs most urgently."* *"Ryszard Grobelny is a president of big business and well-to-do Poznanians; for the rest, he sometimes has games to offer. The power of our elbows on the market is unequal, so 'Grobelism', not keen on the public sector compensating the excess of inequality, generates it even more stubbornly."* A sharp criticism against the city authority comes from representatives of the 'We Poznanians' Association, who publish not only in *Gazeta Wyborcza*, but also in various periodicals and on Internet forums; among other things, they challenge the high position of Poznan in all-Polish rankings of cities.

Another hot issue addressed by the mass media is **the revitalisation of degraded areas** whose location in the city makes them especially attractive to investment. A sensible way of developing those extremely precious resources can significantly raise the city's competitiveness and open up new possibilities for the location of creative and knowledge-based activities. None of the big Polish cities seems to have equally valuable areas for development in locational terms. They include: the so-called 'free rails', tens of hectares in area, adjacent to the Central Railway Station (at a walking distance of 15 minutes from the Old Town); the post-industrial premises of an old gas-works and a slaughterhouse (also situated close to the Old Town); and the undeveloped areas along the Warta river. In the discussion it is demonstrated, on the one hand, that those are areas whose development will decide about the future position of the city and its competitiveness, and on the other hand, a concern is manifested for the right kind of their development. A justification for this point of view has been the opinion by the European Union organisation promoting sustainable urban development, URBACT, which assessed the Poznan downtown as follows: *"The city centre and the old housing stock require substantial renovation and modernisation. The buildings are in poor repair, even in the nearest vicinity of walking strips and shopping facilities. A majority of the most attractive locations in the city are neglected and abandoned. Thus, the great potential of those interesting buildings is not put to proper use. While this situation seems to be now a weak point of the city, (...) its centre and the old housing stock have a good chance of developing into an attractive space of a European city, because they combine valuable historic buildings with attractive public areas. (...) The qualities 'inherent' in those areas have not been properly appreciated by society yet."*

It seems that the discussion has been prompted by the fear that the sale of those premises (especially the old gas-works) to small users and investors might lead to their loss as complex investment areas, especially to the creative knowledge sector. The discussion is supposed to offer an opportunity of expressing a protest against the spatial policy pursued by the city

authority with its marked preference for the development of areas outside the city centre. This is felt, on the one hand, to involve high social costs of the city's expansion and performance, and on the other, to aggravate the process of degradation of the downtown. Also emphasised is the small role that the public sector plays in spatial planning, not only in Poznan, but the whole of Poland. As Billert (2009) states, *"To justify the weak role of the public sector in Polish planning, all planning is identified with the communist-era planning. And urban development is left to the operation of the free market, so that it can make unrestricted use of individual ownership rights. In this way the reasoning of the industrial era with its principle of cumulative quantitative development and extensive building has been transferred to the totally different present situation. Development factors today do not include uncoordinated operations of the market, but special-quality investments; to attract them, communes must have efficient systems of space and land management. By depriving communes of such an opportunity of action by an act of the law, the space of Polish cities has been opened to uncoordinated investments first and foremost satisfying the interests of the investors or a narrow group of users. In the case of industrial investments, those relying on low labour costs, unstable, and giving rise to social and environmental conflicts. In the case of housing investments, the type disorganising the spatial and social structure of the city, degrading the environment, calling for costly infrastructure, generating unfortunate transport effects, and pushing people and capital to the periphery. In the case of road investments, costly transport systems. Since they do not follow from a consistent conception of the city's integrated development, those investments do not ensure Poznan a modern type of development."*

A discussion of urban development problems is extremely valuable because it is an expression of the growing influence of the local communities on, and their concern about, directions of development of the city, the future character of its economy and spatial management. Valuable in this context are also all critical voices and ideas presented. However, when analysing the discussion in the press and on Internet forums, one cannot but detect overtones of pre-election political struggle, advancement of particularistic interests, and promotion of one's own or one's firm's ideas. Still, this situation does not excuse the city authority and all those responsible in any way for its development from reflection on a strategy that will make Poznan a dynamic, modern and creative city, and that will reinforce its competitive position in the country and Europe to the greater benefit of its residents.

6.1.2 *Assessment based on semi-structured interviews*

Characteristics of the interviewees

In order to obtain a possibly wide spectrum of opinions about policies and strategies intended to improve Poznan's competitiveness, especially those involving the creative knowledge sector, interviews were conducted with persons playing important roles in the life of the city, in particular in its management, science, culture, and economy. They included: (1) Deputy Speaker of the Senate, the upper house of the Polish Parliament (a professor of social sciences), (2) Vice-President of Poznan city responsible for its development (an economist), (3) former Rector of the University of Economics in Poznan, head of the Poznan Agglomeration Council (a professor of economics and regional economy), (4) Vice-Rector of Adam Mickiewicz University closely connected with the Poznan Scientific-Technological

Park (a professor of chemical sciences⁶), and (5) Chair of the board of a culture-promoting foundation affiliated with the Old Brewery Centre of Arts and Business in Poznan (an art historian and economist). They are described in greater detail in Table 6.1. The interviews were conducted by Jerzy J. Parysek on 7-13 January 2010; each lasted more than 75 minutes.

Four of the interviewees were men and one was a woman. Their age ranged from 30+ to 80+. They all have higher education and four have had academic careers. Three are professors of Poznan universities, and one suspended his scientific activity after he had been elected to the city authority in 1990. Each of them has got extensive professional experience acquired at home and abroad. They all currently hold important and responsible positions in the state and local authorities, science, culture, and business. Only one was not born in Poznan and another one did not complete studies in Poznan. All five have lived their working life in Poznan, although one is now also busy in Warsaw (in the Republic's Senate)⁷. All are connected with the creative knowledge sector, whether directly or indirectly and to a greater or lesser extent. The interviewees are also well or very well versed in problems of the city's socio-economic development, especially in areas connected with their scientific and professional activity. They have also got experience in organisation and management in the fields they deal with. This small group of persons represents a very wide spectrum of knowledge and experience in the area studied, and have a say in designing policies and strategies employing creative knowledge to enhance the competitiveness of the region.

General evaluation of the Poznan metropolitan region

All the interviewees assess the Poznan metropolitan region favourably in terms of socio-economic development, structure and dynamics of its economy, its performance, and the living conditions of its residents. As to the internal (domestic) and external (European) level of competitiveness, they list its strong points, but can also see some weaker ones too.

Their general assessment of the PMR is high, which accords with the results of studies conducted in this field by various research and analytical institutions. In their opinion, the region's strong points include: a high level of entrepreneurship of its residents, a substantial role of small and medium-sized firms guaranteeing the economy considerable stability and flexibility (as the present crisis has proved), the emerging business centre, diversification of the economy, and a favourable transport location on the W-E axis. What boost the competitiveness of the PMR are its scientific-research potential (in 2009 Poznan scientists carried off three of the four awards granted by the Foundation for Polish Science, known popularly as Polish Nobel prizes) and the exhibition and congress facilities, used e.g. during the UN Climate Change Conference COP-14 in December 2008 and the Taizé European Youth Meeting at the close of 2009 and the beginning of 2010. The respondents also listed the

⁶ Chemistry is one of the leading specialities of the Poznan scientific centre.

⁷ This coincidence of the places of birth, study, residence and work corroborates the high degree of 'rootedness' of the Poznan creative class demonstrated in the former Work Packages of the ACRE project (cf. also Strykiewicz 2008, 2009).

Table 6.1 - Basic information about persons giving the semi-structured interviews

| Sex | Place of birth | Place of university graduation | Type of study | Current position, institution | Experience |
|------------|---------------------------|---------------------------------------|---------------------------|--|---|
| 1 (M) | Poznan | Łódź | Sociology | Professor, high-ranking member of upper house of Polish Parliament (Senate) | Academic career in social sciences at all levels (up to full professor), serious scientific output in sociology (including urban sociology), foreign experience (visiting professor), diplomatic experience (honorary consul of France), parliamentary and political experience (member of party currently in power), co-operation with Poznan self-government |
| 2 (M) | Poznan | Poznan | Economics | Member of City Board and Vice-President of Poznan (since 1990) | Academic experience (assistant), also abroad (research practice at Oxford and Virginia Universities), experience in self-government and urban management, also abroad (managerial functions in EUROCITIES Economic Development Forum, Association for the Economic Development of Communes, and other) |
| 3 (M) | Lubliniec (Upper Silesia) | Poznan | Economics | Professor (emeritus), former Rector of University of Economics in Poznan, head of Programme Council of Consortium of the Poznan Agglomeration Research | Academic career in economic sciences and regional development at all levels (up to full professor), rich scientific output, foreign experience (visiting professor, UN regional development expert in Libya and New York), chair and member of many associations, organisations and award-granting bodies (also founding member of WOKISS, regional association for self-government training and studies), co-operation with Poznan self-government |
| 4 (M) | Poznan | Poznan | Chemistry | Professor, current Vice-Rector of Adam Mickiewicz University | Academic career at all levels up to professorship, also abroad (research practice in USA, Canada and other countries), experience in R&D organisation, co-organiser of Poznan Scientific-Technological Park |
| 5 (F) | Poznan | Poznan | History of art, economics | Chair of board of Art Stations Foundation affiliated with Old Brewery Centre of Arts and Business in Poznan | Economic activity in decorative arts, experience in marketing and advertisement (advertising firms), experience in organising and running culture-promoting foundation (plastic arts, dance), promoting art and young artists, sponsoring, and combining business with art |

region's stable labour market with one of the lowest unemployment rates in Poland, and the growing role of the knowledge-based economy. A strong point of the city is its rich cultural offer (music, dance, plastic arts, cinema, street theatre, etc.). In this field an exceptionally big role is played by non-profit organisations and two eminent representatives of Poznan business, who organise and support activities in the sphere of culture (the Art Stations Foundation) and the decorative arts and design (Pro Design, VOX Arts).

Enumerated among the weak points in the city's competitiveness were too small a share of high-tech industries (even though the promotion slogan is *POZnan* the city of know-how*), too slow progress in innovation as compared with the relatively high pace of economic development, and a declining role of the city as a centre of so-called high culture. Concern was also expressed about the low level of integration of the economy, science and culture, too low an involvement of higher schools in co-operation with business and of the local authorities with cultural institutions, as well as insufficient preparation of graduates for work on completion of their studies. Yet another weak point mentioned was poor connectivity of the local networks of public transport, and hence of the entire metropolitan region. The opinion about the relatively low level of social integration was not one shared by all those interviewed.

What has been done so far to enhance competitiveness?

The plans of the city's development being currently prepared and implemented are intended, on the one hand, to raise its competitiveness, and on the other, to ensure it steady development and better performance. The investment priority is infrastructure as a framework determining urban development and conditions of service of the residents and visitors. An important element of action in this field is the promotion of investment possibilities, e.g. by the creation of the Zegrze Special Economic Zone, a potential area of investment concentration. The city authority offers individual service to investors, promote small and medium-sized enterprises, as well as business, congress, cultural and sporting types of tourism. Those measures are supposed to fight the stereotype of Poznan as an unknown or poorly known city. Special programmes have been launched to support young talents (pupils and students). There are highly promising studies being conducted by the Consortium of the Poznan Agglomeration Research, a common initiative of the authorities of Poznan city, Poznan powiat, the neighbouring communes, and academics from four Poznan universities. Their aim is to diagnose the state of the PMR and to work out a strategy of its development. The results of the research to date show that significant factors of this development are thought to include the knowledge-based economy, broadly understood innovative activity, and the creative sector.

Is there a strategy to attract (retain) creative and knowledge-intensive industries and workers?

The city authority has not got a separate strategy devised to attract creative and knowledge-intensive industries and workers to the city and the metropolitan region. This does not mean that they engage in no such activities. Still, they concentrate primarily on the development of the potential of the Poznan scientific circles and the training of human resources. Those are the goals of two strategies: the Academic and Scientific Strategy, and Academic Poznan. The former sets directions of development for the Poznan higher schools and research institutions and supports the training of highly qualified personnel, while the latter is intended to attract to Poznan eminent representatives of the scientific world, including Nobel Prize winners, to give general-access lectures, conduct seminars for higher-school workers, and meet students. It is a common initiative of the Poznan scientific circles and the city authority. Apart from measures prompted by the above documents, one can mention grants and scholarships, as well as competitions and educational programmes for talented youth and students (e.g. the competition 'Poznan attracts the best', competitions for the best master's and doctoral theses concerning the city, or scholarships for laureates of school-subject contests encouraging them to study in Poznan). The city authority is currently working on a project of competition-based scholarships for doctoral students. Scholarships and awards are also founded by associations, organisations and private persons (representatives of local business). Worth emphasising at this point is the strategy addressed in particular to creative-sector workers and involving the establishment in Poznan of a design centre. It has been worked out and is now being implemented by a well-known Poznan businessman (also a patron of arts and higher education).

For the city authority, but also for the respondents, there is no unequivocal answer to the question of which is the better way for the metropolitan region to acquire highly qualified personnel: training them at home or attracting from outside. An analysis of the measures taken indicates home-training to be preferred, but with the participation of high-class specialists from abroad. It seems that what can decide this issue, as one of the interviewees observed, is the answer to another question, namely, to what extent Poznan can rely in its development on its own resources, and to what extent it needs external support. So far, no such estimates have been made.

The strategy adopted by the authorities as well as organisations and private persons is to highlight the city's latent development factors and resources. In the opinion of the respondents, these are not only hard factors but also soft ones, like the city's social capital, strong regional and local identity, the tradition of hard work and reliability of its residents, their tendency to save and invest, their capacity for self-organisation, scientific potential of the local academic circles, and well-grounded self-government. Other factors include the attractiveness of the city as a place of residence and work (corroborated by the results of the earlier ACRE Work Packages 7 and 8), attractive recreation grounds in the suburban zone, the activity of cultural institutions, and a relatively high level of security.

The economic structure that has developed anew since 1989 is conducive to the formation of clusters. Even today one might certainly talk of ICT, pharmaceutical and motorisation clusters, and a reviving furniture cluster connected with the tradition of artistic crafts.

The self-governing tradition and organisational skills have made Poznan the seat of many social organisations, associations, societies, foundations, development-promoting institutions, charities, etc. Their number, from strictly local to operating at a wider spatial scale, is estimated at 2,500, of which some 1,500 are registered. The activity of many of them helps to boost the city's competitiveness, whether directly or indirectly, especially when creative measures and development-promoting initiatives are concerned. A special role is played in this respect by the Art Stations Foundation affiliated with the Old Brewery Centre of Arts and Business, a facility unique at the international scale which combines a high-quality prestigious commercial operation with activity for culture and art, via the above-mentioned foundation.

Although small and medium-sized business are the city's characteristic, the authority has plans to attract serious investors introducing high-tech to the PMR economy. The service of potential serious investors is the remit of the Bureau of Investment Promotion, and of small and medium-sized firms, the City Office Department for Economic Activity. The policy of those institutions is also to support the spirit of entrepreneurship and to remove barriers on the way to economic activity (the 'leader of entrepreneurship' competition).

Most of the devised and implemented development strategies employ a wide-ranging approach. This means that they seek to accommodate the development of the key sectors of the city's economy. What strike one particularly, however, are the relations between business and culture, already emphasised here, which have gained the support and approval of the city authority. A visible effect of this co-operation is, e.g., making the facilities and exhibition grounds of the Poznan International Fair available to cultural and other events. The relation of business and culture is especially readily visible in the activities involving the Old Brewery and the firm VOX.

There was no common standpoint among the interviewees concerning the economic development vs. social development relation. Among the opinions presented was one that advances in economic development aggravated social polarisation. Another view was that economic development produced new jobs which, by raising the employment level of the citizens, helped to improve their material situation, and hence to level out income disproportions. It was also pointed out that for some people homelessness, vagrancy and unemployment were a conscious choice.

The responses seem to indicate that polarisation is not the chief social problem of the city and the metropolitan region; none of those interviewed presented this point of view. What they did indicate were a still low level of social integration of residents, especially of the entire PMR, the growing pauperisation of residents of block-of-flats estates, steady degradation of the housing stock, and advancing social deprivation. They were also concerned about the deteriorating living conditions and quality of life in some areas of the city centre, accompanied by their depopulation (the number of vacant flats keeps growing steadily in the city centre). This process could be stopped by renewal, but in the existing conditions (no legal regulations, no financial means) it is not an easy matter to undertake and perform efficiently. Also presented was the opinion that the social situation in the city was a reflection of the general situation in the country and big cities.

The interviewees emphasised the importance of partnership and co-operation in raising the competitiveness of the city and the metropolitan region. They also supplied examples of the effects of co-operation. Depending on the type of institution represented, they indicated the most suitable and desirable partners, viz. the state, regional and local authorities, non-governmental organisations, social organisations, associations, housing-estate councils, artists' unions, scientific associations, foundations, industrial-commercial and professional chambers, economic entities, creators and artists, and representatives of science and business, also those from abroad.

Very highly assessed was the use that most of the institutions made of the new possibilities that have appeared on Poland's accession to the European Union. Emphasis was put on the importance of the Structural Funds, scholarships, student exchange, and the Europeanisation of education. The respondents drew attention to the fact that some local-level measures bridged the gaps in the policies or measures pursued by the state that the state itself was unable to fill for various reasons.

While the economic crisis has practically left Poland almost untouched, it still exerts a detrimental effect on the development of the city and its metropolitan region as well as on measures intended to enhance its competitiveness. With a decline in the revenues of the state and city and the necessity for the city authority to engage in support of hard-pressed economic entities, there have been cutbacks in the sums earmarked for investment in municipal infrastructure as well as for research and education, a decline in consumer demand, especially for non-material services, etc.

Generally presented was the opinion that the policy and strategy of raising the city's level of competitiveness should rest on the local factors and determinants of development (i.e. it should be a strategy of endogenous development). If foreign experiences should be resorted to, German and French were thought to be the most suitable.

Determinants of a future policy and strategy of enhancing the competitiveness of Poznan

It follows rather clearly from the assessments presented in the interviews that Poznan is on the right path to enhancing its competitiveness, and thus its attractiveness to representatives of the creative knowledge sector. The point is to take advantage of the existing development factors (also those not mentioned) and strive to eliminate barriers and limitations.

There is no doubt that the role of Poznan will be decided by the place it will take in the international division of labour. This question must be considered in three dimensions: global, European and national, which means that a choice has to be made as to what aspects of the city's socio-economic life that are going to be significant in the world and Europe, and what at home. Poznan is not a lone island, hence, as one of the interlocutors observed, its development and importance will depend in 60% on the position of Poland, in 10% on the activity of the local authority, and in 30% on the activity of its residents (especially élites) and economic entities based in the city and the PMR.

A still valid question is what sectors of the economy and what fields of knowledge to promote when planning further development of the city and the PMR. The respondents were unanimous: those that rely the most on creativity and state-of-the-art technology. However, this does not solve the problem, since there are always basic questions to answer: what? (the choice of priorities), when? (timing), how? (innovativeness, technology), and at what cost? (financial possibilities, efficiency).

Another problem will also be forming an opinion as to how far Poznan can rely on its own resources in striving towards the set targets, and to what extent it will have to resort to external support. This concerns both, its economic entities and skilled personnel. It seems that in the existing conditions (especially material and financial ones), the region should better not count on a mass inflow of exceptionally creative individuals. Therefore it seems a good choice to turn to the education of young people, a search for regional and local talents, raising the level of teaching and the research conducted, better use of the existing potential, and a system of scholarships and grants. Emphasis should also be put on how to keep Poznan-educated young, creative people in the PMR. A good strategy is also inviting eminent scholars and artists to give lectures and conduct seminars, workshops, etc. Naturally, those priorities cannot mean the abandonment of measures intended to attract investment and talent from outside. Everyone should be shown the city's attractions and conditions it offers for economic and cultural activity as well as life and leisure. Here appears the problem of the city's recognisability in Europe and the world. Undoubtedly, the UN World Climate Conference COP-14 in December 2008 and the Taizé European Youth Meeting in late 2009 and early 2010 made visitors more familiar with Poznan and its assets. This can also be expected of other events and facilities, e.g. the EURO 2012 football championships and the stadium being built for this occasion, the planned children's Olympic Games, and the Polish presidency of the European Union, which is certain to affect Poznan as well. The city's visiting card will still feature the Poznan International Fair, the Malta theatrical festival, the Henryk Wieniawski violin competitions (especially the performers' and violin-makers' editions), its cultural institutions and facilities, beautiful architecture, green spaces, as well as the Old Brewery complex and the design centre now under construction.

In the opinion of the interviewees, important in the creation of the city's image and its development are the actors of this process, which means that a suitable division of roles should be made between its inhabitants, city authority, business entities, higher schools and scientific institutions, and visitors. The roles should ensue from a well thought-out and flexible vision of development of the city and the PMR, and the strategy materialising this vision.

6.2 Confrontation with the results of the earlier ACRE surveys

The economic transformation which started in 1989 influenced the structure of employment in the Poznan metropolitan region. The first period of this burdensome process of transition from a centrally planned economy to a free-market one is already behind the region's inhabitants. As a consequence of a high level of employment within the PMR maintained since 2002, there has been a growing participation of employees in the creative knowledge sector. On the basis of their opinions expressing anxieties and expectations pertaining to PMR development, new plans and strategies of its development can be drawn up. They may be also used by the local authorities to update the existing strategic documents presented in the previous chapters. The research already conducted under the ACRE project within the framework of Work Packages WP5, WP6 and WP7 included three groups of workers of the creative knowledge sector: 1) graduates and employees, 2) managers, and 3) migrants.

The following sections confront local policies and strategies with the actual dynamics of the three types of creative knowledge workers in the Poznan metropolitan region.

6.2.1 *Graduates and employees*

The results of the survey carried under WP5 (Stryjakiewicz et al. 2007a, b, 2008, 2009) allowed an assessment of the attractiveness of the Poznan metropolitan region based on the questionnaire distributed among higher school graduates and workers of the creative knowledge sector, as well as the role of 'hard' and 'soft' location factors in their decisions concerning job-seeking and the choice of residence places. In particular, the study focused on the relative importance of the latter type of factors (such as the quality of space, attractiveness of the residential environment and meeting places, a tolerant atmosphere, the cultural heritage, a subjective feeling of security, and job satisfaction). Even though the decision to settle down in the city was still influenced by 'hard' factors, predominantly good employment opportunities, it follows from the research that 'soft' factors played an increasingly important role. The overall ratings of the quality of life were mostly positive. Moreover, according to the majority of creative knowledge workers, the quality of life in the past five years had improved.

Another conclusion emerging from the WP5 survey is also poor promotion of the creative sectors and activities. To intensify promotion and change the way it is conducted is one of the most frequent suggestions (made by one in ten respondents) for the improvement of the city's creativity and competitiveness. The few new amenities operating in the city, such as technological parks, innovation centres and alternative culture centres, went unnoticed. It is worth noting at this point that the range of proposals addressed by the respondents to the city authority was rather modest and included - apart from the promotion issue - largely 'hard' factors like improvement in the city infrastructure, especially transport, or an increase in expenditure on culture (in very general terms). This low 'creativity' of workers and graduates representing the creative knowledge sector in thinking up ways and means of improving the city's competitiveness was somewhat alarming. It seems, however, to be yet another legacy of communism, still hard to overcome.

That is why one of the most important tasks today is an effort to make the public aware of the significance of the creative knowledge sector for the process of the city's modernisation and development. The ACRE project with its idea of Local Partnerships fulfils this invaluable role on two accounts:

- first, it supplies a substantial body of knowledge about the status of creative and knowledge intensive industries, and
- secondly, it performs the function of some sort of 'yeast' initiating a wide discussion on this subject.

What was also regarded by the respondents as one of the city's disadvantages was its shortage of land for the sitting of major investment projects. Paradoxically enough, however, this disadvantage could be favourable to the development of the creative knowledge sector because it does not require extensive investment areas. Being environmentally friendly, new creative firms can be located practically everywhere, also in the vicinity of green spaces. In this context, the quality of the city's human resources and urban milieu can be no little recompense for the scarcity of suitable land. What the city needs much more than extensive sites, in the opinion of the creative knowledge workers was, e.g., the promotion of the Poznan scientific circles and their achievements, or the systematic implementation of an updated strategy of development of the academic milieu and science.

Another problem mentioned in the survey, fairly important because of its possible role in creating the urban environment, was the strengthening of the Poznan cultural circles. Despite its high attractiveness, the city can boast a relatively small number of eminent artists in comparison with other metropolitan regions, like Warsaw or Cracow. It is in those cities that many outstanding artists have ultimately chosen to live after making a successful start in Poznan; with its undeniable assets, the city has proved unable to keep them. This situation will not change, however, without determined pro-culture measures taken by the local authority. The city owes whatever interesting is going on in the artistic sphere practically to the creative activity of a small group of people engaged in promoting spiritual culture (Verba Sacra), theatrical life (the 8th Day Theatre, the Travel Agency Theatre), artistic life (the Old Brewery), musical life (the Canor Agency and projects of the Arte Dei Suonatori Orchestra), and entertainment (the jazz circles). The success still enjoyed by the Malta Theatrical Festival cannot provide a basis for satisfaction with the city's cultural level, especially when the artistic events organised by Warsaw, Cracow or Wroclaw attain a world or at least a European range of impact. In an attempt to raise the rank of the artistic and cultural development of the city, its authority is striving to secure it the title of a cultural capital of Europe. In general, as has already been mentioned, further development of the creative sector will require the strengthening of the role of cultural industries.

A challenge of a different nature that has appeared after the 'old' EU states opened their labour markets to the new members is a heavy outflow of well-educated and talented young people seeking better job opportunities in those countries (not balanced by an inflow of creative immigrants). This outflow can be both, a threat to and a chance for the development of the creative sector in Poznan. It will become a chance if those people come back after they have gained new experience, and they will do it if on return they find comparable conditions to

express their creativity. The building of such conditions, on the one hand attracting new talents and on the other preventing an outflow of the resident ones, is perhaps the biggest challenge facing both state and urban policies.

6.2.2 *Managers*

The aim of the WP6 (Stryjakiewicz et al. 2008) was to give an assessment of the attractiveness of the PMR for the development of the creative knowledge sector based on the opinions of sector managers. The information was obtained through interviews with managers and 'key players' representing the following sub-sectors:

- Business and management consultancy,
- Motion picture, video, radio and television activities, and
- Software and electronic publishing.

The results of the study largely corroborated the conclusions stemming from the earlier Work Packages, while the research technique employed - an in-depth interview - allowed a more profound insight into the nature of an activity, specific problems involved in conducting it, and factors underlying the decision to locate a firm in the PMR.

In the light of what the managers had said, it was possible to define the profile of the Poznan metropolitan region in terms of its attractiveness for the development of the creative knowledge sector. The profile was characterised in the report by four groups of problems:

1. Growth pattern of firms of the creative knowledge sector and the development path of the Poznan metropolitan region,
2. Locational limitations of creative activities,
3. Role of formal and informal networks of links among businesses, and
4. Level of maturity of firms of the creative knowledge sector and the significance of 'soft' and 'hard' location factors.

In the opinion of the interviewed managers, the profile of the Poznan metropolitan region was connected with its development path. As follows from the remarks of most managers, the breakthrough moment in the region's economic growth was 1989, the year when the communist system collapsed in Poland. The introduction of free-market rules has brought about a revival of the spirit of entrepreneurship, a feature so characteristic of Poznan residents that it is used even today (the managers claimed) as a marketing element, especially by big PMR-based enterprises. The post-1989 economic changes have led to the formation of two groups of managers. One embraces people who took advantage of their contacts established while they had worked in the public sector before that year to open their own businesses in the early 1990s. The other group includes entrepreneurs of a younger generation who finished their education after the systemic change. Often gathering experience in foreign corporations, they went on to launch firms of their own based on new standards of doing business. This group of managers can be found primarily in the dynamically growing software and electronic publishing sub-sector, which is likely to play a significant role in shaping the region's profile.

The interviews with the managers showed there to be a fairly wide variety of factors responsible for the choice of location of the activity conducted, whether considered by branch or size. For most firms, big and small, in business and management consultancy as well as picture, video, radio and television activities, classic hard factors, especially the nearness of the market, were of paramount importance. However, with technological advances in the services rendered, or output produced, by the enterprises, the nearness of the market loses its former significance, while 'soft' factors feature ever more prominently in their location decisions. This was especially readily visible in the case of big firms of the software and electronic publishing sub-sector. The decision to establish an activity in the given location was often connected with the place of origin of the owner or the closeness of his family and friends.

The formal and informal links among businesses were of crucial importance for their position on the market. The scale of those links determined not only the standing of a firm, but also of the city or metropolitan region where it is based. The firms that have developed the strongest supra-local and international links were those active in software and electronic publishing. In the other sub-sectors there were no such clear interconnections among firms, or between those firms and other enterprises outside the PMR and Poland.

The experience of the earlier research carried out in 13 metropolitan regions of the European Union concerning the development of the creative knowledge sector as well as the significance of the classic, or 'hard', and 'soft' factors of business location makes it possible to state that the latter tend to gain in importance in more advanced economies. From what the managers have said, one can conclude that in the Poznan metropolitan region, which represents a lower economic level than this type of regions in Western Europe, 'soft' factors play a rather modest role in location decisions. Most firms are not fully mature yet, and they still have not got well-developed networks of links. An exception is high-tech firms, especially those relying on information and communications technologies.

The results of the study showed that the establishment of creative firms in the PMR has been quite successful after 1989, but they still have to go through the process of maturation. Since the creative firms in the PMR are mostly small, private and independent, personal factors are of great importance in their development (they are 'attached' to some extent to certain places, e.g. to the real estate belonging to the owner's family, or they continue a generally recognised entrepreneurial family tradition). They usually do not expect any public support, but stress its significant role in the creation of favourable conditions for socio-economic growth. They perceive domestic rather than international competition as the more important. Among the Polish cities, Wroclaw seems to be Poznan's strongest rival in the future development of the creative knowledge sector.

There are differences in the weight that the sub-sectors under analysis assigned to various development factors. Thus, business and management consultancy was mainly business-oriented; the motion picture, video, radio and television sector was culture-oriented; whereas software and electronic publishing was education-oriented.

6.2.3 *Transnational migrants*

The objective of the research carried in WP7 (Strykiewicz et al. 2009), based on in-depth interviews with the transnational migrants representing creative knowledge sector was to identify the factors that influenced the decisions of the transnational, creative and highly qualified migrants to settle and work in the Poznan metropolitan region. This group comprises both: 1) expatriates (or expats), who migrated between large international economic centres and stayed in Poznan for a relatively short time (from a few months to a few years), and 2) other highly skilled migrants. As Florida (2002) states, openness to transnational migrants is one of the keys to successful development of the creative knowledge sector.

On the basis of the interviews, two groups of factors were identified determining the influx of creative, highly skilled people to the Poznan metropolitan region:

- work or professional contacts; and
- personal or social networks.

The major factor deciding employees of the creative knowledge sector to move to the Poznan metropolitan region had an economic character: a profitable job. The remaining factors, viz. personal reasons (e.g. finding a partner, changing a life style) and the quality of life in the city, played a boosting role in making the decision to come to the PMR. Creative people who were delegated to Poznan by their companies had the easiest way of adapting to the new conditions. Full service was provided for them: a work permit, finding a place to live, and registering the residence. For the rest, problems in adapting to the new life and working conditions in Poznan were mainly connected with formal matters – the complexity of securing a visa or a work permit, for example. These difficulties were aggravated by the language barrier. Bureaucracy was seen as a major problem in adapting to living in the Poznan metropolitan region.

One of the most important aspects of living in a different country is, on the one hand, the adaptation to the environment, and, on the other hand, the locals' reaction to people coming from different countries. Acceptance and tolerance by the locals of foreigners' being different may influence the quality of life and decisions made by transnational migrants. In the respondents' views, Poznan is open and tolerant towards foreigners. In this respect, the city stands out from other regions in the country. Foreigners perceive the local environment as conducive to action, especially in terms of entrepreneurship. The local community has some features that make interpersonal relations easier, i.e. a spirit of entrepreneurship and pragmatism. At the same time the environment stimulates creativity, which opens up prospects for this particular sector.

The polled foreigners also emphasised the social climate of the city, though it was not the main reason why they had come to Poznan. In general, the majority of respondents liked the local colour. Nevertheless, Poznan was considered to have a slower pace of life than Cracow, for example, and to be very family-orientated. Although this was an advantage for some respondents, most of them said it lacked uniqueness and a diversity of activities. In this aspect, other cities, such as Cracow, turned out to have a better climate favouring creativeness.

Local policy, particularly concerning the city's culture and spatial development, was quite critically assessed by the interviewees. The majority thought that the creative knowledge sector required more support from the local authority. This support would not necessarily have to be financial, but it could be provided in the form of promotion of creative activities, and culture in particular. Nevertheless, the opinion of the migrants as well as experts was that this sphere was underdeveloped in the region. The most significant problem turned out to be poor access to information about cultural events. As far as spatial planning was concerned, the interviewees criticised the policy of excessive commercialisation of the city space and using it for consumption purposes.

The results of the research show that for the transnational migrants the prospects of the development of the creative knowledge sector in the Poznan metropolitan region are mostly related to its position as a centre of higher education and knowledge. The accessibility of housing and a tolerant atmosphere also stimulate its development, but a lack of appropriate support for culture-oriented policy definitely slows it down.

7 CONCLUSIONS AND DISCUSSION

To sum up, the year 2010 may bring a breakthrough in urban and metropolitan policy in the PMR in such fields as enhancement of its competitiveness as well as its structural and spatial cohesion, and the development of modern economic sectors and creative social initiatives. The breakthrough can have a bottom-up character, i.e. it will not be a result of direct action by the central authorities, whether in the legislative or the financial sphere. The local authorities of the city and the suburban communes themselves initiate strategic solutions in metropolitan governance, development of the creative sectors, a knowledge-based economy, etc. Two decades after their establishment at the beginning of the systemic transformation (in 2010 it will have been 20 years since the local level of territorial government was created in Poland), the local governments have matured enough to invest in qualitative development, territorial co-operation, and elements of governance, thus enhancing the region's competitiveness.

The urban policy conducted since the beginning of the economic transformation (1990) has reflected stages in PMR development, in the transformation of its substantive, economic and social spheres. Unlike many western cities, 20 years ago Poznan and its surrounding communes had primarily such problems as immense ownership changes, working out new land, fiscal and spatial policies, restructuring their economies, from the production sector to services, and making up for delays in technical and social infrastructure, i.e. processes closely connected with the creation of the city's new economic base and improvement of its inhabitants' quality of life. This was taking place in the period of the rebirth of the real local government and laying the foundations of civil society. In the face of this abundance of tasks, urban policy could not perforce be consistent and long-term, and its instruments did not always comply with the best West European standards. Also influential were external factors, such as weak and frequently changing legal regulations, political struggle at the central level, and fluctuations in the process of power decentralisation. Moreover, urban policy of the recent years has been influenced by financial aid from the pre-accession and then EU Structural Funds, the major beneficiaries of which are dedicated projects, mainly those for the improvement of urban infrastructure.

The major drawbacks of Poznan's urban policy in the recent years have been:

- a sectoral character of measures focused on solving problems in specific spheres of socio-economic life (e.g. public transport, health care, public security, environmental protection, attracting investors, stimulating entrepreneurship),
- a multiplicity of strategic and planning documents which define similar objectives while not always equipped with concrete instruments to achieve them,
- lack of a common development policy of the city and its agglomeration/metropolitan region, and

- a multiplicity of decision-making entities in the field of city activities (local commune and poviát authorities, voivodeship authorities of a dual central-government and regional self-government character).

As a consequence of the above-mentioned limitations, there was no spatially and functionally coherent policy oriented towards the building of the creative sector in the city and its region. In the Study of the Conditions and Directions of Poznan's Development, updated in 2008, the city was assigned the function of the chief centre of administration and services for western Poland and the centre of the Poznan metropolitan region. Special emphasis was put on its development as an academic, scientific and technological centre as well as a city generating national and international sporting events.

An attempt to establish co-operation between the city of Poznan and its suburban zone in less rigid organisational forms was made quite late. In May 2007, the Co-operation Agreement among the Local Governments of the Poznan Agglomeration was signed. Its signatories were the city of Poznan, Poznan poviát, and the 17 suburban communes belonging to the poviát (now there are 20). The parties to the agreement established an Agglomeration Council, or a Permanent Conference of Commune Heads and Town Mayors of the Poznan Agglomeration as well as the President of Poznan City and Head of Poznan Poviát. At the beginning, the Council was to function as a forum for information exchange among local government units and for establishing the domains of co-operation to be translated later into concrete legal forms. They expressed their readiness to co-operate in such fields as: supporting business initiatives, marketing activities, the municipal economy, mass transport, education, healthcare, and spatial policy. Common initiatives started to be implemented in 2009 through purpose-oriented groups set up to deal with such matters as waste management, public transport, the building of a common incineration plant and an animal shelter, and common tourist promotion.

As a result of intensive suburbanisation processes and the accumulation of problems with the PMR's road, technical and social infrastructure, integration measures have become an urgency. Today the integration of management, social and technical services, and spatial planning is a *sine qua non* condition for further growth of the region's competitiveness in the national and European settlement systems, and for an improvement of its residents' quality of life.

The present-day philosophy of the development of Poznan involves such elements as the creative sector, knowledge-based economy, and innovative sectors based on highly-developed human capital and advanced technologies. Their implementation should determine the directions of urban policy in the nearest future. One can only hope that this will indeed happen, because strategic documents announcing innovative projects have not come into force yet and their adoption is not certain at this moment. The local authorities seem to play a significant role in determining directions, seeking external funds, co-ordinating activities of various public and private entities, generating an atmosphere of creativity and entrepreneurship, initiating and supporting concrete creative activities (both business-related as well as social ones), and the movement of non-governmental organisations, which has been developing at a large scale. It is mainly thanks to those organisations (via their wide-ranging criticism of the local authority in various, mostly electronic, media) that the control of

development of the city and its suburban area has been increasingly transparent and closer to the inhabitants' expectations. The more innovative attitude towards city and PMR management displayed in the new strategic documents is also a consequence of the internationalisation process. It is an effect of making use of the experiences of other cities and metropolitan areas (Hannover, Stuttgart, Manchester, Helsinki, Barcelona) as well as establishing international contacts, among others by such research projects as ACRE.

Poznan, according to the city's new development strategy and thanks to the newly-implemented policies and programmes, is to become "a metropolitan city with a strong economy and a high quality of life which relies for its development on knowledge" (Poznan President's statement on a municipal Internet portal). This development is to be supported by its immediate functional hinterland, viz. the suburban zone growing in demographic and economic strength. Through stronger infrastructural, communications and functional connections with the core city, the dynamically developing suburban zone can receive not only basic services and land- and work-intensive economic sectors, but also selected services of a higher rank (educational, recreational, sports, commercial), and soon also those of a metropolitan character (technology centres, transport hubs).

The creation of a single metropolitan organism poses a challenge to the present and future local authorities of the Poznan metropolitan region over the nearest decade.

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