# THE ECONOMIC POTENTIAL OF THE POLISH-CZECH AND THE POLISH-SLOVAK FRONTIER

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The economic potential of communes consists first of all of: the professional activity of inhabitants and level of their incomes, the local job market, level and kind of enterprise as well as condition of natural environment. The economic potential decides about economic development of commune or region. It stipulates the economic conversions concerning incrementation of production, employment and investments. The purpose of this article is the diagnosis of economic potential of Polish communes lying near the south border. There were analyzed 70 communes in 5 Provinces: Lower Silesia, Opole Voivodeship, Silesia, Malopolska and Podkarpackie. 47 communes lie at the border with the Czech Republic and 23 on the Polish-Slovak border. The communes are, in prevailing amount, rural, mountain communes and less favoured areas. One of the chances of the development of these areas, is a utilization of their geopolitical location, interregional cooperation with neighboring communes that have similar values of natural and cultural heritage and the economic potential. The border of the state does not have to mean the border of well developing region. However, the commune in order to be an attractive partner for others, has to offer specific level of services and has available an adequate economic potential. In order to estimate the economic potential of communes there were used indicators applicable in practice of structural fund able to approximate the economic condition of regions and their potential.

Communes; Polish-Czech border; Polish-Slovak border

## GENERAL CHARACTERISTICS

The analyzed communes occupy surface of 8843 km<sup>2</sup> and they are inhabited by 851 910 people. The average largeness of communes totals 126 km<sup>2</sup>, and the average density of the population 152 people/km<sup>2</sup>.

The biggest commune in analyzed area is Lutowiska (Podkarpackie Province), and the smallest one is Zawidów (Lower-Silesian Province).

Cieszyn is characterized by the biggest density of the population, its size totals 1267 people/km<sup>2</sup>.

In this area, the participation of population in productive age totals on average 62% of the whole population (Table 1).

## THE SOCIO-ECONOMIC ANALYSIS

#### Job market

The disparity of working structure is revealed on a Polish part of frontier within the confines of individual provinces and communes.

Along the Polish-Czech border the participation of working in industrial and construction sector is formed from 7.5% in Branice to 80.1% in Głuszyca commune (Poland: 29.2%).

Changes of the employment in this section are determined by economic conversions which are performing from early 90s also in the limitrophe areas. Despite this, on borderland occur communes where the participation of employee in industrial sector is predominating and it is formed over 50%:

d over 5070.	
Głuszyca	80.1%
Bogatynia	75.9%
Piechowice	70.1%
Zawidów	59.8%
Leśna	59.0%
Mirsk	57.2%
Mieroszów	53.9%
Nowa Ruda	52.0%
Pietrowice Wielkie	50.2%

However, in communes along border with Slovakia, the participation of working in industry construction fluctuates from 1.5% in Koscielisko to 79.8% in Jelesna.

Table 1. Basic characteristics of researched communes

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	Area (km²)		Population (people)	Density of the population (person/km²)	The participation of population in productive age (% of whole population)
	total	average	total	average	average
All limitrophe communes	8843	126	851 910	152	62
Polish-Czech border	4664	99	622 601	189	62
Polish-Slovak border	4179	182	229 309	76	60

At the border with Slovakia, the participation of employee in industrial sector is lower considerably with the Polish-Czech borderland. Majority of communes is characterized by employment in industry lower than 50%.

The progressing structural changes in national economy, also in economies of areas lying on the border, they cause, that changes follow in the structure of employment of population, on benefit of incrementation of participation of employment in services.

On the Polish-Czech borderland, the biggest participation of working in service sector is in Karpacz (90%) and Zebrzydowice (89%), and the smallest in Głuszyca (19.3%), Poland: 48.9%.

In the Polish part of borderland with Slovakia, there were less people working in services sector in Jeleśna (19.1%), during which the highest participation is characterized in: Krempna (98.8%), Kościelisko (93.6%), Bukowina Tatrzańska (92.7%), Lipnica Wielka (92.2%).

The role of service sector should grow in the structure of the employment at industrial sector cost. The task of Polish government is determination of essential conditions enabling creation of new work-places in service sector, within the substitution of work-places lost in industrial and agricultural sectors.

On limitrophe areas it is important to take up the activity that supports the development of small and medium enterprises.

In districts, where the development is predominated by the industry, the problem of diminishing work-places number is connected with a necessity of re-expansion of degraded agricultural areas.

That requires a great investment. The implementation of principle of sustainable development seems to be particularly important.

Sectoral structure of employment indicates that inhabitants of analyzed region find employment also in section: agriculture and forestry. The highest participation of working in this sector was in commune Cisna (54.3%), lying on the border with Slovakia (Poland 21.9%). On average, in researched communes, the participation of agricultural

sector in employment did not surpass 6% (Fig. 1) and it was somewhat superior in communes at the Slovak border than at the border with the Czech Republic.

Also the level of unemployment shows the economic potential of communes. Fig. 2 presents the largeness of rate of unemployment in all communes and in the region. The highest unemployment ratio characterizes commune Mirsk (39%) on the order with the Czech Republic. The lowest unemployment was shown in Łapsze Niżne in Malopolska Province at the order with Slovakia. The rate of unemployment is 4.8% there.

It belongs to underline that the statistics captivate only the largeness of registered unemployment, omitting the hidden unemployment. Considerably, the greatest percentage of population remains without work. According to the statistic data, the average participation of working in the whole researched region has amounted to 14%. However, the ratio of professional activity has totaled 50% average in all 70 communes. On the Polish-Czech border – 50%, and on the Polish-Slovak 49%.

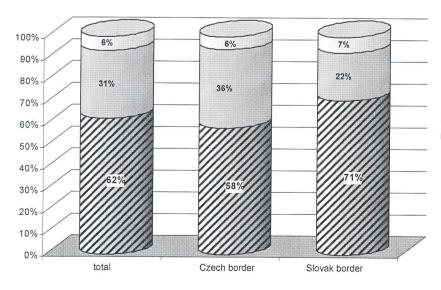
## The structure of sectorial economy

It is difficult to indicate a predominating sectoral structure of enterprises situated on the limitrophe areas. The enterprises include i.e.: plants of heavy industry, energy sector and also trade, production of tissue, clothing, industry, ceramic, production of drink and nutritive articles.

In general in 2004 in the limitrophy areas there were functioning 76 602 companies. Among these 95% were private enterprises (72 426), and 4167 were incorporated in public sector (Fig. 3).

Among the companies of public sector on the Czech border predominating is activity related to attendance of real estate (59.1% of incorporated enterprises) and the educational activity (22.6%).

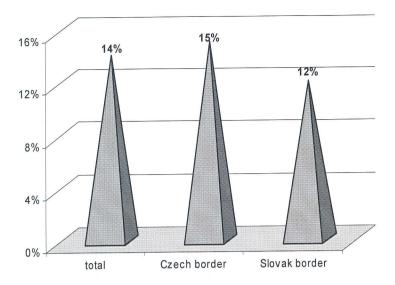
In the private sector predominates are: commerce and repairs (34.8%), and the attendance of real estate (13.7% of the whole incorporated private concern).



☐ Agricultural sector☐ Industrial sector☐ Service sector☐

Fig. 1. Working according to economies sectors (2004)

Fig. 2. The unemployment ratio



Somewhat otherwise is formed the structure of activity at the Slovak border. It is presented in Fig. 4.

In the public sector predominate enterprises dealing with educational activity (50.3%), however, among the private concerns prevailing are: trade, repairing, hotel trade and gastronomy.

The enterprises in limitrophy communes act mainly in the sphere "commerce and repair" (30,2% of enterprises). Besides, the often taken activities are:

<ul> <li>attendance of real estate</li> </ul>	14.3%
- building	9.1%
- industrial processing	9.1%
<ul> <li>hotels and restaurants</li> </ul>	8.0%
- transport	7.8%

The average index of the enterprise, that shows the amount of private firms per 1000 people in the productive

age, has totaled 127 in researched region. Its values were fluctuated from 51 in Krzanowice at the Czech border to 299 in Zakopane (border with Slovakia).

The average value for the communes at the border with the Czech Republic was 129 and at the Slovak border 123.

The investment index shows also the high economic potential of analyzed region. It expresses participation of capital expenditures in general expenses of commune. For the whole region the average value is totaled 91% (for Czech-border 94%, and for the Slovak-border 84%).

#### THE RECAPITULATION AND CONCLUSIONS

The present disparity of the Polish border and limitrophy areas are inscribed in the greatest degree to develop-

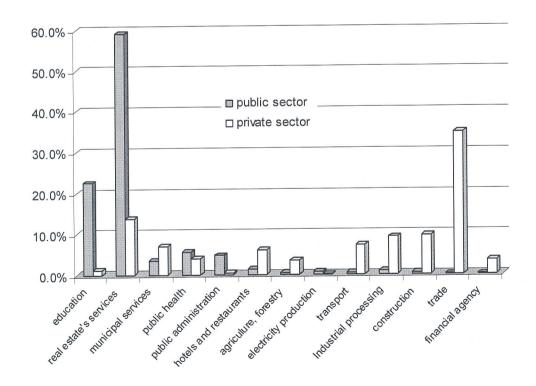


Fig. 3. The economic activity in communes on Polish-Czech border according to type and ownership sectors

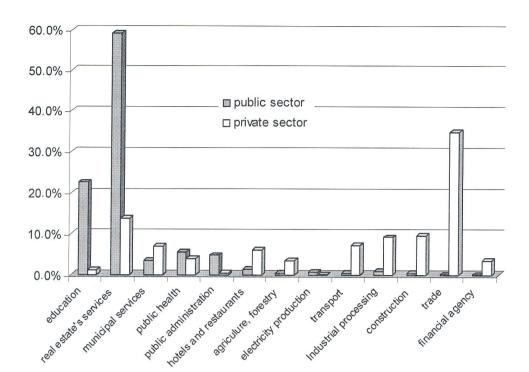


Fig. 4. The economic activity in communes on Polish-Slovak border according to the kind and ownership sectors

ment processes in Poland, but also in some degree to development processes of the neighbor countries.

The economic potential on border with Czech Republic is little distinguished from the border with Slovakia.

The communes lying along the Czech border are characterized by the over twice highest index of population density in the comparison with Polish-Slovak borderland.

The comparative analysis of this region has proved that the communes on the border with the Czech Republic are characterized by: the highest participation of the employees in industry, somewhat superior unemployment ratio and the highest value of investment index.

One of the feature differentiating the Czech with the Slovak border is also the sectoral structure of enterprises. At the Czech border predominate: commerce and repairs, estates services, construction and industrial processing, and along the Slovak border prevail: commerce, hotel industry, gastronomy and transportation.

The joblessness is one of the key problems of the Polish borderland. So, to define a new direction of the economic development is indispensable. Geographic site and natural conditions, and also traditions and experience from realization of the project within programs Phare CBC and Interreg IIIA, open the promising prospects for development of tourism and different forms of recreation.

However, development of this sector depends on improvement of infrastructure.

The natural resources like mountains, forests, water resources and cultural property can be the base for economic recovery (boom) of less favoured areas.

To the development of tourism and recreation can contribute also strong rural traditions and heritage.

The attractiveness of natural environment is one of the strongest features of areas on the south Polish border. It can be also the base of development of new economic function.

Unfortunately, the one of weaknesses of the system of environmental protection in this area is the lack of modern solution in municipal waste storage (it concerns also their segregation and utilization). Also systems of sewerage require regulation.

Creation of compact system of soil and waters protection on the limitrophy areas requires many investments.

The problem, which remains still a challenge, is a risk of flood in mountain regions lying on the border. The system of flood protection requires an urgent modernization. Standards of water retention system as well as systems of information and warning are highly insufficient. The indispensable ecological revaluation and the infrastructural investments will enable utilization of retention reservoir for economic purposes and recreation.

Summing up, it is possible to ascertain that transfrontier cooperation between individual communes should concern different domains first of all: environmental protection, tourism and recreation, development of medical care, economic development, behavior of folklore and heritage.

The problem of the development of communications coherences deserves a separate note.

Their scarcity effects importantly on limitation of growing transport requirement, equal railroad as well as roads.

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Ekonomický potenciál na česko-polských a polsko-slovenských hranicích.

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Ekonomický potenciál oblastí závisí na: profesionální aktivitě obyvatel a výši jejich příjmů, místním trhu práce, úrovni a typu podniků a na podmínkách přírodního prostředí.

Ekonomický potenciál ovlivňuje hospodářský vývoj oblasti nebo regionu. Specifikuje ekonomickou konverzi, pokud

jde o zavádění výroby, zaměstnanost a investice.

Cílem práce je diagnostikovat ekonomický potenciál polských oblastí ležících nedaleko jižních hranic. Analyzovali jsme 70 oblastí v těchto pěti provinciích: Dolní Slezsko, Opolské Vojvodství, Slezsko, Malopolsko a Podkarpackie. 47 oblastí leží na hranicích s Českou republikou a 23 na polsko-slovenských hranicích. V převážné většině jsou tyto oblasti venkovské a v horských regionech méně úrodné.

Jednou z příležitostí rozvoje těchto oblastí je využívání geopolitické polohy, meziregionální spolupráce se sousedními regiony, které mají podobné hodnoty přírodního a kulturního dědictví a ekonomického potenciálu.

Hranice státu nemusí znamenat hranici v dobře se rozvíjejícím regionu. Region však musí poskytovat specifickou úroveň služeb dostupných na adekvátním hospodářském potenciálu, aby byl atraktivní pro ostatní partnery.

V práci jsme použili indikátory využitelné v praxi a týkající se strukturálního fondu ke stanovení přibližných hospodářských podmínek regionů a jejich potenciálu.

regiony; polsko-česká hranice; polsko-slovenská hranice

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