

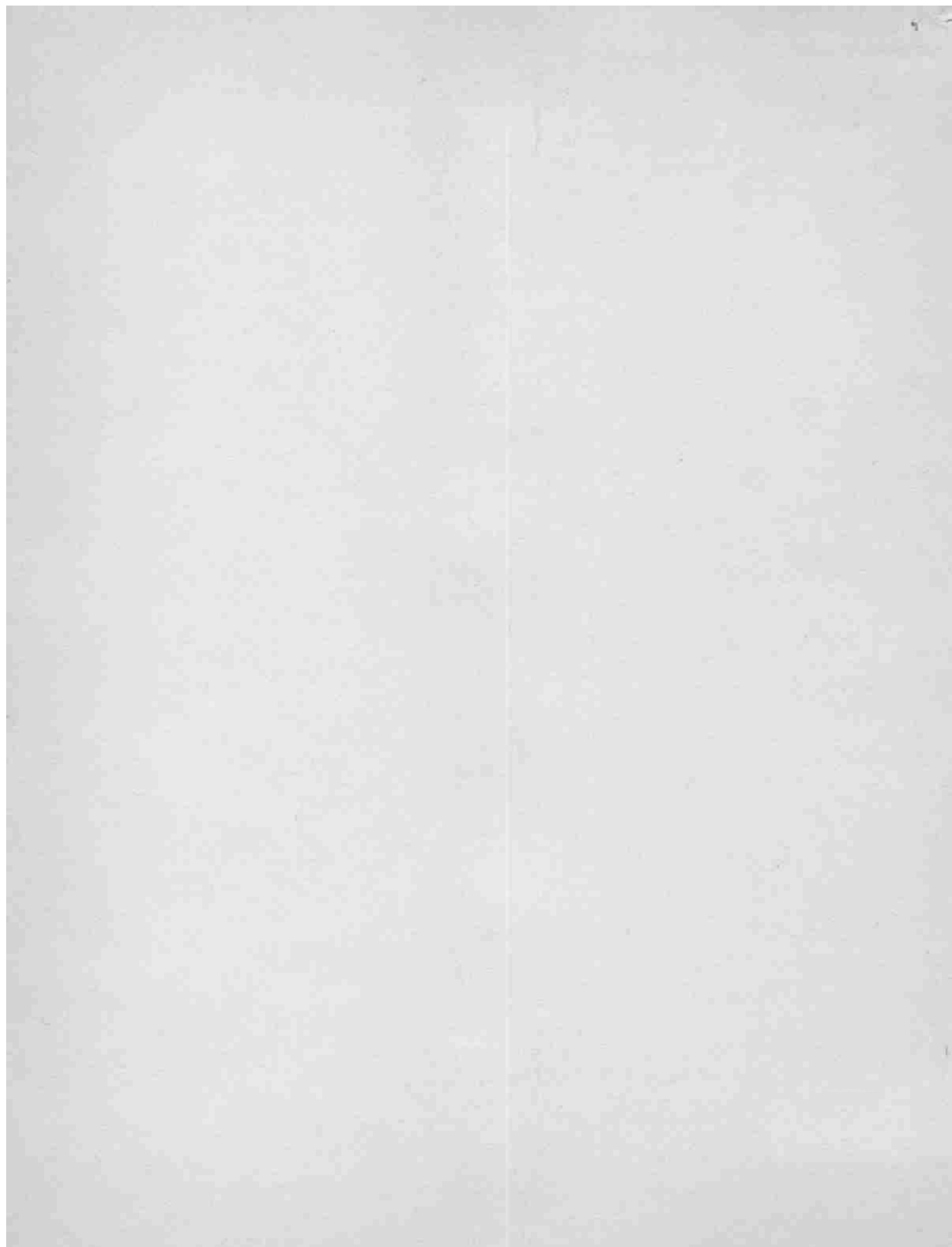
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THEORETICAL PROBLEMS OF REGIONAL PLANNING IN
SOCIALIST COUNTRIES: THE EXAMPLE OF POLAND *

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The system of economic planning in the socialist states has been developed first of all from the point of view of securing the possibilities to guide the process of economic growth and shape the proper (i.e. considered actually as rational) sectoral (industrial) structure of the national economy. This was reflected in the considerable development of the planning apparatus organised according to the division into sectors and branches of the national economy, and the creation of the elaborate systems of transition from the generic decomposition of aggregates, constituting the aims of national economic plans, to the concretely addressed targets for economic ministries, boards of industries and individual enterprises.

The system of economic planning, constituting a fundamental instrument of hierarchical arrangements of objectives and means, has among its objectives also those which relate to the spatial features of the development of the country and its regions. Achievement of these objectives is the aim of spatial planning which involves specific theoretical and methodological problems, some of which are the subject of this report. The presentation of these problems is based on the Polish experiences and theoretical discussions, which however, seem to be typical for the European socialist states, at least those characterized by a rather strongly centralised system of planning and management of national economy (as distinguished e.g. from Yugoslav system of more decentralized character).

To introduce these problems, a concise description of the system of spatial planning in Poland seems to be in order.

The Polish system distinguishes between three levels of spatial planning:

- 1) local planning (town planning)
- 2) regional planning
- 3) national planning (spatial planning at the central level).

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The first of these is subordinated - as in most socialist states - to the Ministry of Building, while the two higher levels are organizationally linked with the authorities of economic planning, being performed by special offices of the provincial (voivodship) and national Commissions of Economic Planning. Our paper is limited to the two higher levels and concentrates mainly on the relation of regional planning to the spacial planning on the national level, as well as the relation of these two levels of spatial planning to the general system of economic planning.

Whereas the basic features of the system of economic planning have been for the last two decades rather stable, the spatial planning system has been undergoing significant changes.

In the years 1946-1949, spatial planning was conducted on a country-wide, regional and local scale by separate spatial planning agencies (there were no economic planning agencies on the regional level at that time). At that time, economic planning was limited to short term plans, so that spatial planning was also a substitute for perspective planning, not based, however, on a sufficient knowledge of conditions and possibilities of development of the national and regional economy.

In the years 1950-1957 the separate spatial planning agencies were maintained only at the local level and subordinated to the Ministry of Building, whereas spatial planning at the provincial and national level was merged with economic planning and subordinated to the needs of operative 6 or 5-year plans. At the provincial level this change was accompanied by the creation of the provincial commissions of economic planning.

Regional plans were prepared then only for smaller areas, in which investments were particularly heavy, from the point of view of the spatial coordination of investment projects (so called "detailed regional plans", elaborated on maps in the scale of 1: 25,000 or 1: 50,000, of a character not unlike that of town planning).

This situation in regional planning has changed again since 1957 when perspective (20 years) planning has been introduced in the general planning system; regional planning was then recognized as perspective planning. Since that time the existing 17 regional planning offices have begun to elaborate - besides the formerly prepared detailed regional plans - also the general regional plans, covering whole areas of respective provinces. The plans extend over a period of twenty years and correspond to the period of the perspective national economic plan. In this way regional planning has covered the area of the whole country.

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What was the nature of these regional plans? The regional planning offices, while elaborating these plans, were not bound by detailed instructions from the central level, apart from suggestions as to the general arrangement and the content of the plans, which comprised a certain logically ordered set of parts. The first part was to present the analysis of the existing economic structure of the province from the point of view of the existing difficulties and barriers to development and possibilities of overcoming them; the second - structure and distribution of population, the perspective labour force balance and standard of living; the third - possibilities of economic development from the point of view of region's natural resources, labour resources and fixed assets; fourth - concrete proposals for the development of production of goods and services. The next parts presented the analysis of future settlement and road networks as well as the investment program and assessment of the technical possibilities of its realization from the point of view of the capacities of the local building materials and construction industries.

As may be seen, the general regional plans for provinces contained two basic types of elements:

- 1) studies of the existing state and projected changes of the natural, human, and capital resources, and proposals for utilization of these resources,
- 2) postulates concerning investments in the settlement network, transport, industry, etc.

The problems, the analysis and the solution of which consequently were impossible at the provincial level were, as a rule, omitted in these plans. The most valuable elements of those plans were certainly the studies concerning resources; far less realistic were the investment postulates.

One should observe, that while it has been frequently stressed that planning in the socialist system has the advantage of being realistic since planning in the condition of collective ownership of the means of production is not separated here from decision-making, the situation in regional planning is rather specific. The provincial authorities, responsible for regional planning, are not in the position of control over all economic activities of regions nor are they responsible of economic planning of all branches of regional economy. Their competences do not embrace most of the industry as well as other nationally important sectors of economy (railways, main roads, air transport, higher education, banking etc.) which are centrally planned. Further, there is no direct relation of the economic development of the

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region to the volume of regionally created capital accumulation, since the latter is redistributed via the central State budget.

Moreover, until recently, even at the analytical level the comprehensive treatment of the regional economy was impossible for the lack of data as to the basic economic aggregates broken down by regions.

In the last respect the situation has been much improved in the recent years, as the system of regional statistics compiled in regional breakdown comprises now not only the detailed data as to all kinds of production, but also the figures of regional income produced and consumed, investment, consumption, value of fixed assets, as well as inter-regional commodity flows.

This development permitted the more complex treatment of the economy of individual provinces in their regional plans and led to numerous empirical studies on the structure, as well as level and trends of development of the economies of regions. The idea of "regional economy" was considered by many students as the conceptual basis of regional planning. Theoretical attempts in this direction soon demonstrated the complexity of the whole problem, arising from the fact that regions represent highly open economic systems, which constitute parts of the integrated system of the national economy.

The logical consequence was the recognition of the necessity to devise new theoretical approaches to the question of development of the whole national economy as a spatial system and to revise the methods of treatment of regional and spatial problems in the system of national planning. The development of theoretical research in this direction coincided with the recognized need for better coordination of individual regional plans, which found its expression in the postulate of elaboration of the "national plan" in the sense of a spatial perspective plan on the national scale. This postulate was met by the governmental decision of 1965, according to which such a plan should constitute either a distinct part of the national perspective plan or a separate parallel document. The question of the content and method of elaboration of this plan soon became the main focus of theoretical discussion on regional planning.

This does not mean, of course, that in the years 1949-1965 there was no spatial planning on the national level. In principle, all post-war 6 or 5-year national economic plans were at the same time spatial plans, since all of them contained a statement of the basic principles of locational policy, and an investment program, the main elements of which were locationally defined. Indeed, the basic aims of the locational policy, especially in the field of a

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more uniform distribution of productive forces and development of underdeveloped regions, were quite consistently carried out and brought to limited but significant results. The point is, however, that those plans had an intuitive character and the method of their elaboration did not allow a check on the degree of their rationality. The regional breakdown of the plan was in principle the result of summing up ex post the locationally defined targets contained in various parts of the national economic plan.

The most important instrument of the policy of regional development, which found expression in this type of plans, was (and, in fact, largely remains) the system of fixing the location of investments which requires the agreement of the Central Planning Commission. From the point of view of individual industries elaborating their development plans, the pressure the Central Planning Commission exerted with respect to the location of investment in the direction considered desirable from the point of view of broader social goals, seemed in many cases arbitrary; they frequently fought with success to secure the most favorable location in terms of efficiency of a given industry.

The critical appraisal of this state of affairs was expressed by one of the students of the subject in the following terms.

In spite of the fact that a formal integration of spatial planning with economic planning in branch terms has become a reality, the existing system of forms and instruments of the economic policy of the State cannot be regarded as an adequate one. The regional plans merely seek to inform and postulate and do not have the character of decision. The latter are made first and foremost in the course of branch planning, which determines the distribution of the means constituting real factors of regional development. The system of plans worked out in branch breakdown merely by the perspective development plan of the national economy. Inadequate elaboration within its framework of the set of problems relating to the process of national economic growth in spatial terms results in reducing the possibilities of full utilization of the outcome of work carried on at the level of regional planning. A further consequence is the lack of exhaustive information which could guide work on regional plans and the necessity of immediate and individual settling of location problems. 1/

1/ B. Winiarski: "Programming foundations of regional economic development", in Problems of Regional Economic Development, Committee for Space Economy and Regional Planning of the Polish Academy of Sciences, Vol. XIX, Warsaw 1968, p. 72.

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This critique of the existing system of instruments of locational policy constitutes the starting point of the trend of thought which in the discussions on national spatial planning finds its expression in the opinion that the main problem is in the regional breakdown of the means and ends of the national economic development plan. According to this view, for each region plans of economic development analogous to the national development plan should be elaborated. This, however, presupposes making for each region the pertinent economic calculations. Hence the theoretical problem boils down to defining the character of these calculations and their relations to other types of economic calculations carried on in the framework of the planning system.

The theoretical model of such a system of calculation has been most consistently elaborated by K. Porwit from the Institute of Planning of the Central Planning Commission. The main lines of his reasoning are the following. 2/

In the framework of planning the national economy, economic calculations of various rank are being made:

- 1) macroeconomic calculations, relating to national aggregates;
- 2) partial calculations, relating to the individual parts of the national economy.

Among the latter there are to be distinguished:

- a) microeconomic calculations, constituting the immediate basis of executive decisions;
- b) intermediate-level calculations, necessary as links between macroeconomic calculations.

To the intermediate-level calculations belong those made on the scale of the main sectors and branches of the national economy, as well as those made on the scale of major regions of the country (so far, the latter calculations have not been made; incidentally it may be noted that the recently popular concept of the "regional effectiveness of investments" has never been theoretically elaborated and has not become an effective tool of analysis).

2/ K. Porwit: "Regional Models and Economic Planning", Regional Science Association, Papers, vol. XVI, pp. 43-61.

The calculations on the national level and on the intermediate - particularly: regional level - should conform to the following requirements:

- 1) they should serve as the source of information - particularly as to the external limiting factors - for the calculations on the respectively lower level and in this way shape the conditions of choice in these latter calculations.
- 2) their structure and method of elaboration should enable the analysis and evaluation of the consequences of variants of decisions of a political and social character, determining the limitations of freedom of choice.

The regional calculations have two main tasks in this system. The first is to determine the general social aims on the regional level, within the framework of aims defined at the national level. The second is to provide a basis for the optimal utilization of the resources of the region.

Analysis of the role and character of the economic calculations at the various levels leads to the postulate of the construction of an integrated system of optimization programs. The interconnection of individual elements of this system is to be made by use of methods of disaggregation and iterative mode of flows of properly arranged information between these elements.

The above proposals, sketched here only in the barest outline have far reaching consequences not only for the methodology of planning in general, but also for the structure of distribution of decision-making power among the planning organs. Apart from various theoretical difficulties, the possibility of full realization of such a model will open up only after reaching the stage of saturation of the planning apparatus with modern means of computing and transmission of data, which would allow the full-scale utilization of the methods of mathematical programming. On the other hand, it seems certain that when this stage is reached, the economic calculations carried on at the regional level will have to find their place in the system of programming.

The model of a hierarchical system of optimization programs, though impossible to implement in the immediate future in its formalized form, indicates nevertheless the main directions of methodological studies.

Among other things, it points out that the national as well as regional programs should not strive for excessive detail, i.e. they should not attempt to become in fact the microeconomic programs made at the higher level of planning organs.

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Further, it stresses the importance of the proper transmission from the central level to the regional planner, of definite instructions as to the set of strategic factors which have an external character from the point of view of a regional economy, but which are indispensable for effective planning at the regional level.

The methodological considerations outlined above refer to a certain trend of thought which attaches a significantly different meaning to "regional planning" as compared with the traditional understanding of the concept, which evolved essentially from the extension of town planning problems into a broader area scale. Regional planning becomes here primarily economic planning made in terms of regional aggregates (with only secondary importance attached to subsequent definition of various elements with greater locational precision).

This "economic approach" encounters, however, an opposition based on recognition of the perspective character of regional planning. It is stressed namely that while the "economic approach" might be fruitful in the planning of shorter time perspectives (e.g. 5 years), it is not practicable when dealing with regional planning in the perspective of 20 or more years. It is argued then that the spatial perspective plan - especially on a national scale - should not aim at determining the economic plan for regions - including the volumes of production, consumption, investments etc. - but should concentrate on the planned spatial distribution of the durable elements of national wealth (fixed assets) and primarily the technical infrastructure.

This "technical approach" is deeply rooted in the early history of spatial planning in Poland, when perspective spatial plans were based on various types of technical projects - relating first to linear patterns of transport and communication, and then to models of urban development based mostly on certain social assumptions and concepts possessing a somewhat utopian character.

In the present conditions this type of approach is more firmly based on realities. It uses as reference points particularly 1) the data of the national economic development plan (as to the projected population figures, employment in various branches of economy, level of income etc.), 2) projections of the various development trends, observed in the last decades, which are checked by reference to similar trends in the more economically advanced countries, 3) descriptive generalizations of the research on economies of scale both as to producing plants and as to urban agglomerations.

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This type of approach characterizes the present stage of works on the national spatial plan for Poland, the backbone of which constitutes the urban network model, postulating a "limited concentration" of urban population and economic activities in 10 large and several medium-sized urban agglomerations. It is interesting to note that with this approach there is connected a significant change of opinion in respect to the policy of developing the underdeveloped regions. In the course of the last two decades there may be observed a marked shift in approach with regard to goals and means. The goals are being now formulated rather in terms of social justice, demanding equal income and cultural opportunities for all citizens (which take explicitly into account the potential desirability of population migrations), than in terms of uniform level of economic development of the regions. As to the means, both the experiences of the decade 1950-1960 and the development of theoretical concepts (pôles de croissance, thresholds of growth) lead to the shift of emphasis from the industrialization of underdeveloped regions to the question of developing in their areas a limited number of larger urban centers which - within a framework of an improved transportation network - would create attractive locations for industries and perform at the same time the higher order central place functions.

The second type of approach to the construction of the national spatial plan as well as regional plans - predominating actually in practice - is on the conceptual and methodological level far less advanced than the "economic approach". The models used here do not reach any level of formalization and do not specify strictly the assumptions nor quantify the functional relationships involved. The theoretical research in this field is practically at the very beginning and opens promising perspectives of broader use of various types of mathematical space-models, like the gravity models, population and income potential models, migration models, land-use-competition models etc. (which naturally presupposes extensive empirical research connected with estimating the parameters of such models). The weakly advanced stage of research in this field stems not only from the relatively late development of theoretical thinking as compared with the field of econometric programming models. Partly responsible are also certain tendencies, deeply rooted in mentality, to deal with the problems of perspective planning in a similar way as with 5-year plans - namely the tendency to elaborate problems in excessive topical and locational detail, to operate with concrete figures instead of probabilities, to consider only discrete areas and places instead of continuous economic space.

It may be expected that the development of theoretical refinement of the "space model approach" will create the conditions for closing the gap between this type of approach and the "regional economy approach", thus contributing to the solution of many present theoretical controversies in the field of regional planning.

