

Poland
2030
DEVELOPMENT CHALLENGES

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Board of Strategic Advisers to the Prime Minister of Poland

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POLAND 2030 – Development challenges

ABOUT THE REPORT

The Poland 2030 Report was created by the Board of Strategic Advisers to the Prime Minister of Poland edited by Minister Michal Boni.

The aim of the document is to outline a perspective of potential routes for Poland's development in the next 20 years. Referencing back to the completed process of Poland's transformation and pointing out the potential for further development, this study presents the dilemmas which must be solved in the near future, especially in the field of economic and social policies, infrastructure, energy safety and efficient management of the administration.

In the introduction to the Report, the Prime Minister of Poland, Donald Tusk invites us to begin an open debate based on merit and inspired by the challenges outlined in the Poland 2030 Report.

POLAND 2030 – Development challenges

INTRODUCTION

Development policy vs. the perspective of 2030

After 1989, Poland's development was connected with two projects – transformational and the one stemming from the accession to European Union. As a matter of fact, the transformation was a full-scale civilisational project, rebuilding the base of the state and economy to function in democracy and a market economy. Given all the restrictions and additional costs, the Poles are beneficiaries of these changes to a greater extent than many other societies. It is visible, inter alia, in the blooming of entrepreneurship, but also in the liberation of social energy in other areas, and – last but not least, in the great education boom. The GDP par value increased tenfold, and the buying capacity of Polish salaries increased 16 times during these years.

Membership in the EU institutionally strengthened the process of transformation, revealed new opportunities stemming from the flow of merchandise, capital and human resources – the export to the EU of Polish products alone (with services excluded) constitutes 78% of overall export value (2007). Creation of a conducive environment for the development of policy based on the EU funds is a further benefit, which since 1989 for the first time had enabled a greater volume of public investments – from approximately 3.4% of GDP at the end of the 20th century to nearly 5% at the turn of 2009 and 2010. The coupling of transformation and the EU accession provides solid grounds for stability. The latter has its source also in modernisation, which is clearly demonstrated in Polish GDP generation structure, where market services are of an increasingly greater significance, and the upgrade of industry and transformation of development potential of rural areas become more and more of a challenge – as the role of architecture is changing.

In a long-term perspective however, all of this may prove insufficient. If, given increasing competitiveness in the global economy, **Poland wants to avoid the threat of a developmental drift, the determinants and instruments of development policy should be defined in a new way.** It is urgent and critical, as in these matters the future starts today, even if world's actual state is shrouded by ongoing crisis. In brief, **Poland needs a new civilisational project.**

This strategy requires clarity on questions concerning development goals and a concise vision of the future.

No one chooses a developmental drift. The inertia of decisions concerning basic developmental dilemmas constitutes its symptom, and its character is defined by the lack of consent in the scope of desirable vectors for changes. It follows also from the fact that no one endeavours to advocate the necessity of a multi-domain reorientation of policy in various domains. Instead of a governing strategy we have a governing lottery. Time windows close within the electoral calendar and do not encompass the perspective of the professional and personal life cycles of citizens or trans-generational solidarity. In times of good economic climate, the drift becomes comfortable way to follow growth factors, while in contraction – it is often regarded as a politically secure way of conformity.

In order to avoid the threat of a developmental drift, we should clearly define Poland's development model with a concise vision of the future, taking into consideration our strengths, odds, weaknesses and risks in two critical dimensions of development: economic and the social one.

Today, Poland finds itself at a specific stage of development process. On one hand, huge underdevelopments in fields of infrastructure, transportation availability, ubiquitous delivery of the Internet and advanced teleinformatic services are visible, but also e.g. inefficiency of the energy potential as well as transmission pipelines or absence of diversified sources of energy to ensure the energy safety. In all these areas, an improvement may be achieved only by significant increase of expenditures and a focus on the state performance as regards management of such processes. On the other hand – in spite of civilisational underdevelopments, related also to the modernisation of economy, which is still incomplete, and a low development potential of areas remaining out of range of influence of economic life centres over years – the leaders of a new competitive edge emerge. Taking advantage of the intellectual capital, readiness for mobility, adaptiveness and dynamism of young generation, whose representatives quickly absorb new skills, the metropolises develop in line with modern paradigms and successfully compete with other European agglomerations.

Therefore – in order to make the best of opportunities emerging for Poland in the perspective of 2030 and to prepare the state for threats stemming from long-term global trends – a development model has to be designed to strengthen the growth dynamics, enable even more complete exploitation of opportunities and gradually remove obstacles hampering participation of regions and communities in the process of development. Hence, it appears that **the proper model for the next 20 years is the polarisation and diffusion model.**

Assuming an irregularity of the development ratio as a natural element of economic processes and being aware of threats resulting from, for example, the escalation of disproportions between regions, social groups and economy sectors, which takes place over time – the economic policy must successfully and simultaneously cope with challenges in the scope of the liquidation of underdevelopments and creation of new competitive edges. Therefore, aside from supporting growth centres (polarisation) it is most of all necessary to create appropriate conditions for diffusion – and for all that is conducive to the equalisation of education opportunities, all that would enhance transportation availability of each place in the country, liquidate the risk of a digital exclusion, improve the social integration level, build the solidarity of generation, and provide a sense of capability to fulfil one's own aspirations.

The economic growth and the improvement of life are always the aim. And an efficient strategy to realise thereof would consist in the skilful diagnosing, in which areas the polarisation will emerge as a side effect, in creating tools in a way minimising its social and developmental influence and not thwarting at the same time the emerging opportunities of further increase, or in preserving the growth ratio with the agile use of competition and market principles. Now, what follows from that is that supporting the diffusion process constitutes a fundamental task for the state – namely, creation and a constant improvement of efficient and effective tools for levelling the development potential and life quality.

The development policy needs a comprehensive approach and scenario-forecasted options. One cannot base future competitive edges on phenomena interim by nature (such as a cheap work force) or on just now emerging fundamentals of potential benefits, resulting from making up for backwardness in the transportation, teleinformatic or energy infrastructure.

Thus, aside from traditional requirements of the budget discipline policy, one should forget neither the factors related to the productiveness nor the investments, taking the latter in the broad sense – with human resources, intellectual and social capital investments included. In mid-term perspective, also widening of the taxable base has to supplement the low deficit policy, supported with the attempts to keep the level of indebtedness under control – the stimuli for abandoning the grey area, PIT's ubiquity, a prolongation of the professional activeness of Polish citizens. The following factors are of key importance: change in the expenditures' structure and true, many-year reflecting of development priorities in the state budget. One should look at the problem of the deficit through the prism of demographic risks and the unused potential of professional activity of Poles.

What we have on mind here is a traditional welfare state model, which is a burden for development, since there is superiority of the 'passive' transfers over the 'active' investments in development of citizens and the improvement of quality of their life still visible in it. Meanwhile, the development may be facilitated by creation of conditions of a work-fare state, complemented by a welfare society, as it is shown in the table below.

The task posed in such a way requires a radical rebuilding of the state policy, and in general – a strategic account of the development.

Preparation of a long-term development strategy for the country needs also another perspective than the one hitherto assumed in documents of strategic character. The temporal horizon of thought concerning Poland's development shall be prolonged relative to the strategies prepared earlier in the context of the EU requirements. **The perspective of 2030 means covering with imagination and forecasts, scenarios and dilemmas, at least a one generation ahead.**

<i>Welfare State</i>	<i>Workfare State</i>	+	<i>Welfare Society</i>
FTJ security (permanent professional career)	Employment security (variable professional career)		Delegation of tasks and services: social circles, local communities, NGOs
State guarantees with regard to the access to: education, healthcare, minimal wage	State guaranties for the access to efficiently managed education, healthcare, and pension dependent on a job seniority, remuneration and additional savings, minimal wage		Cooperation of various institutions to help people in need
Unconditioned social transfers	Social transfers, often related with the condition of insertion, addressed to the groups in a real need		Awareness of the solidarity of generation
The state is a reference point	The state (thanks to the principle of subsidiarity) - is decentralised and grants support and help		

A question arises, whether construction of a strategic vision – in the perspective of 2030 – makes sense at all under conditions of crisis which overwhelmed the world, especially that full identification of its causes, attributes and effects have not been achieved so far. The periods assessed as threatened by a recession or – as it is in the case of Poland – an economic slowdown, are elongating. The emergency plans adopted by many countries with regard to their banking systems or stimulation packets for their economies are meant to protect them against severe drop of a growth rate, decrease in investments, lack of liquidity in the banking sector, and also against lack of availability of credits for the actual economy, or a high unemployment. However, no effects of such activities so far were recorded. A vast majority of countries increases their indebtedness as well as the volume of public deficit up to the limits, e.g. Great Britain, France, USA or Ireland (whereby as soon as today Ireland developed a plan of the deficit reduction until 2013, even if not an easily executable one). Poland in such a context defends four factors important in terms of assessment of reliability of the economy, which constitute significant development drives. These are:

- low budget deficit level and a careful increasing of the public debt, showing forethought with regard to financing debts in the future;
- maintaining pro-developmental activities, with due regard to the need of an investment effort supported with the EU funds, better availability of credits for entrepreneurs, continuation of investments that are technically innovative and focused on an improvement of the intellectual capital;
- a thoroughfare to the milestone of Polish development, the Euro, which would end *de facto* the adaptive transformation period;
- necessity of further structural reforms and necessity to build a development policy, as it is the only factor capable of neutralising the consequences of a slowdown and to direct the country towards the 'creative destruction' path in the times of crisis.

One may say that while counting on retaining pro-developmental consumer demands, it should be possible to upkeep the investment ratio at the same time – and this is the key to preserve the development ratio on an adequate level. In the years of crisis after 1989, Poland was characterised by extremely profound adaptiveness;

- general liberation of an entrepreneurship potential in years 1989–1993, which enabled the fastest elimination of forecasted and unavoidable results of economic malaise connected with the system transformation, among transforming countries;
- restructuration adaptiveness in the years of crisis of 1999–2001/2002, consisting in an extreme effort of enterprises to adapt to the new requirements, even though temporarily connected with significant reduction of the demand for labour, brought up a quality leap in the export;
- at long last – the present adaptiveness has to be of an innovative and investment character, launching consecutive layers of Poles' creativity and entrepreneurship in order to build up sustainable competitive edges of the country despite external limitations.

In the perspective of 2030 – which is more than 20 years – the present global crisis may be neither the only, nor the biggest one for the Polish economy to cope. For this very reason – **despite current threats and in the wraith of the crisis – a strategic and comprehensive vision is indispensable.**

Strategic perspective and the solidarity of generation

There is a sufficient number of premises when thinking strategically of the future, such as demographic and climate challenges, a threat of inequality of social and territorial development or the range of technological changes affecting economic processes and the work model, and indirectly – the ways of life, to do not trust the perspective determined by ‘today’. Thus, the approach taking account of an inter-generational dimension becomes a topic of key importance.

Strategically conceived development policy requires that the decisions taken today were assessed in terms of their influence on a one future generation at least. It means growing awareness that pursuing equilibrium between generations shall become a dominant of the activities of the state and within the state. The assumption underlying such a perspective is not the intention to confront or conflict the generations, but the opposite – the urge to better understand the need to cooperate, to consciously select the childcare model and the model of redistribution of care over the elderly, to reduce the inter-generational indebtedness range (in the public debt and pension system), lastly, to ensure the acceptance of differences in the world views. It means that in the decision concerning a professional start of persons being born today – who will enter the labour market in 2030 – the determinants relevant for the future shall be taken into consideration – a professional career model and squaring work with life. In this sense, **creating space for individual choice strategies of persons, families and communities is an essential matter in the development policy.**

It should be at the same time borne in mind that forces inducing development in each generation are based on aspirations: an attitude towards change, improvement of odds and life – not much may be put up based on the demanding attitude and on exacting the unconditional fulfilment of citizens’ wants by those who govern. **The tension between wants and aspirations defines in the most emphatic way the present stage of Poland’s development in the social field.** Whether we will follow the path of a developmental drift, driven by a chance, or rather we will consciously choose among development options focused on the realisation of present and future generations’ aspirations, it depends on the wise policy of solidarity of generation, rational and conditional consideration of wants, but also on a well thought-out method of creating the opportunities for aspirations to be fulfilled.

What seems necessary is **the synergy between the perspective of the solidarity of generation and the strategic orientation in governing.** Key features of this orientation are: **the primacy of the future over the present and also of the social development capital over the social surviving capital.**

The primacy of the future over the present means a courageous looking in the future of at least one generation ahead and bringing current decisions to consistency with the strategic choices. One cannot pursue a growth in use of valuable work of citizens as a lever of development, once hampering operations in the labour market or even encouraging abandoning it early.

One cannot build future competitive edges on an indebtedness, the toil of repayment of which will be borne by next generations. What is important for the strategic orientation defined in such a way is balancing of reformatory activities with maintained political influence in order to fully foster the achievement of Poland's long-term strategic goals while governing. Wise leadership should aid the choice between an ongoing strive for the electorate support and for laying fundamentals for future competitive edges.

For strategically focused governing, social capital is the support. In Poland, due to historical and cultural reasons it is mostly focused on surviving, on defending values and a separateness rather, than the openness. It was only the transformation, which brought about an increase in the social capital in the scope of adaptation within different social circles. Nevertheless, this capital was mostly based on individualism. Meanwhile, what we need for future successes and the realisation of opportunities is connected to the community, group development capital, growing ability to cooperate, understand and trust each other, and common look towards the future.

The social capital and its functions grow in times of widespread communication, availability of each piece of information and knowledge, network character of personal relationships, newly defined social positions and structures. **One should remember however, that the performing and friendly state is the factor facilitating development of the social capital.**

What challenges are to be taken in the perspective of 2030?

1. Growth and competitiveness
2. Demographic condition
3. High professional activity and adaptiveness of labour resources
4. Adequate infrastructural potential
5. Energy and climate safety
6. Economy based on development of knowledge and intellectual capital
7. Solidarity and regional cohesion
8. Improvement of social cohesion
9. Performing state
10. Poland's social capital growth

Development factors: trust, cohesion, creativity, mobility, competitiveness

In the Report, while defining **ten key challenges** Poland has to face, we show, how the global and future development factors are shaped.

Trust

Modern social capital, i.e. – in a brief – a TRUST, is shaped by numerous constituents. It is affected by national identity, however mostly by these of its features, which are characterised by openness in the present world; they are community-related, deepened by strong social bonds and a growing identity of various groups. The social capital based on such traditions and exemplars multiplies the trust, increases ability to cooperate, roots into the world of one's own culture and also into the world of multitude of contemporarily intermingling cultures, it constitutes a groundwork of modern citizen-state relationship. The trust built in such a way constitutes a significant added value to development processes. **The CHALLENGE 10 from the Report draws attention to that topic, while at the same time themes concerning the role of social capital as a development factor appear in description of each challenge. However, without trustworthiness of the state, without its performance, it is impossible to build social capital.**

Reliability of public institution should deepen the trust to one's own state and to the public life in general. It is impossible to create it without the modernisation of the public sector, without the performance of the state acting menially for its citizens, users of various services offered by the state. Only the state that is institutionally performing, releases development energy and is conducive to the competitiveness of economy. **The dilemmas connected with the performing state are discussed in the section devoted to the CHALLENGE 9.**

Social and territorial cohesion

The long-term development perspective does not only require a social trust and a performing state, but also a **COHESION – both in the social and territorial dimension.** It is not only about the scale of inequality, social security model, level of social transfers and their efficiency or even about practically realised solidarity of generation or regional convergence. First of all one should understand that development processes differ in pace and thus reveal various deficits and dysfunctions connected with separateness, different opportunities and possibilities – of disabled persons, more poorly educated, with no access to the Internet, in worse health condition in the last years of life, insufficiently remunerated, who cannot autonomously provide for their families or fulfil their aspirations, or – to take a look from an entirely different point of view: regions with development potential lower for decades, lowly urbanised areas, rural areas with over-employment in the agriculture, parts of Poland drained by migration etc. **The cohesion policy defined in such a way and properly addressed to relevant recipients with adequate tools** provides an answer for deficits, complements needs, creates opportunities and organises possibilities, and fasten the development and its conditions as a result. **In section presenting the CHALLENGE 7 and 8 we address the need to resolve dilemmas of key importance with regard to these issues.**

Creativity potential

The creativity potential of society and economy is, in modern development theories, something much more than just the results of a higher gross enrolment ratio growth and life-long learning processes. Contemporary creative class is a bohème in its kind, of people of different occupations: engineers, IT specialist, teachers, photographers, advisors, public life organisers. Thus, the artists of word, computer, architectural designs, clothing, gardens, ordinary houses' interiors, leisure time spending and shopping culture are the creators. Also managers, attorneys, physicians, sales and marketing directors are included in this group. They are creators of consumer and post-material services, providing communities, especially metropolitan (metropolis is a synonym for development centres), with new dimension: the equilibrium of work and life, balance of work and leisure time.

A development of creativity potential requires people who create the network of exchange and cooperation, and often, an aura of metropolis, yet first of all – **specific 3T synergy (this is what the creator of the concept, Richard Florida, says): technology, tolerance and talents**. There exist distinct correlations between openness towards diversity and distinctness (sexual orientations, nationalities, and customs) and the effectiveness of technology development, patents submitted, and new economic enterprises. The condition of not only revealing talents, but also of their development, is coupling modernity of economy and quality of life offered at a place. It is talented people who choose the places of development, justifies Florida. The high quality of education and an increasing number of persons with higher and supplementary education in life and professional career are the basic factors. **A skilful realisation of two important functions by education system: egalitarian function (early education ensuring equalisation of opportunities, access for all to each education path possible) and elitist one (headhunting on an early stage), gains special meaning here.**

So, on human and intellectual capital the creative capital can be built. The future creativity of Polish economy as early as today requires investments in modern competences, acceptance of distinctiveness, intellectual capital development, and innovativeness in relations between business, science and culture. **The issues concerning conditions of creativity development in Poland are addressed in the CHALLENGE 6, 7 and 10.**

New dimension of mobility

The mobility and the need of adaptiveness are fundamental features of the contemporary economy and the labour market. More than 200 million of people migrating for work in 2007 sent to their families almost USD 340 billion. Professional career requires changes and adaptations, and lifelong learning model is complemented by learning in all circumstances (life-wide learning). Better educated employees start their professional career later, which was the major cause of the fact that the shortening of work time did not bring up throughout the 20th century the greater amount of leisure time, as a balance effect. Figures 0.1, 0.2 and 0.3 illustrate this. It is connected more with equal distribution of home activities, shared by partners even when family models are changing and family deinstitutionalisation trend is emerging.

Figure 0.1. Yearly number of hours spent in school by persons aged 5-22, *per capita*

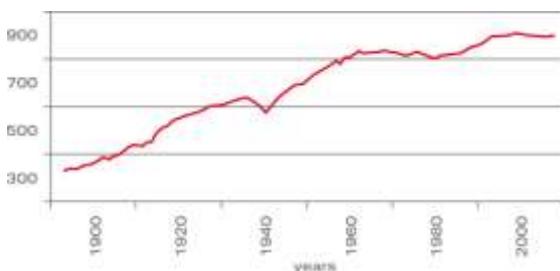


Figure 0.2. Yearly number of hours spent in work by natural persons aged 16 and above

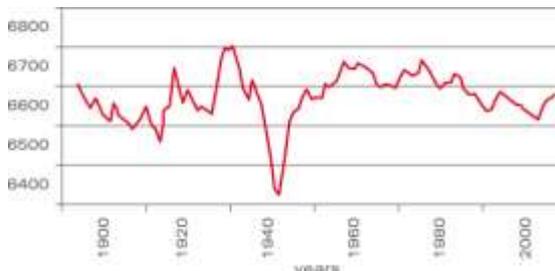


Figure 0.3. Yearly number of leisure time hours *per capita*

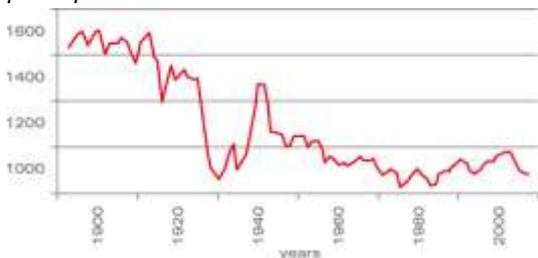
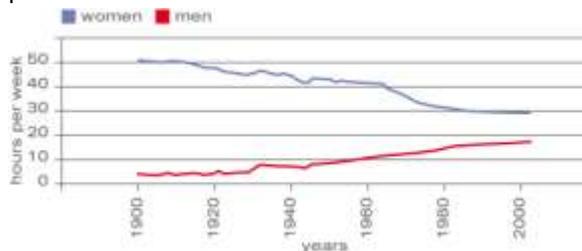


Figure 0.4. Distribution of home activities between partners



The employment forms are changing, significance of self-employment grows, and does so the individualisation of contracts and the independence of realised tasks. The e-work and part time job make it possible to combine the work and home functions. **The professional career cycle enters into the life cycle on new principles, and the adaptiveness becomes simply the key competence of an employee. We underscore the dilemmas and tasks connected with these issues in the description of the CHALLENGE 3, and also the CHALLENGE 2, focused on response to demographic challenges, faced by the world and Poland.**

One of mobility growth factors is **the virtualisation of work, economy and life**. Work time efficiency is measured by means of ability to act in the scheme 7/24 (7 days a week, 24 hours a day). The communication distance vanishes, and global cooperation concerns both the production and services. It is no longer possible to imagine management without proper IT networks and servers, which is illustrated in the figure 0.5. The self-services model is expanding, but the expenditures in cloud computing, making unbelievable connectivity possible through the synergy of the IT and telecommunications also go up, which is shown in the figure 0.6.

Figure 0.5. Global expenditures (billions of USD)

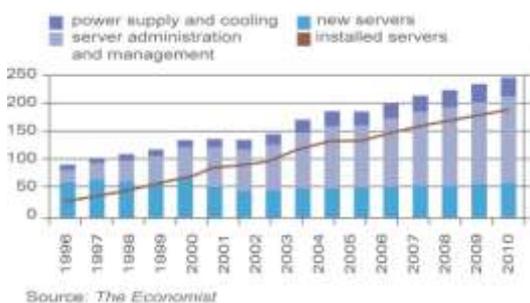


Figure 0.6. End user expenditures (billions of USD)

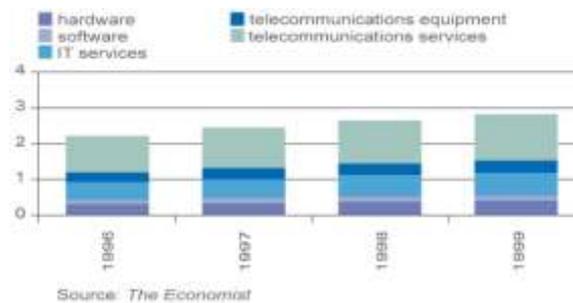
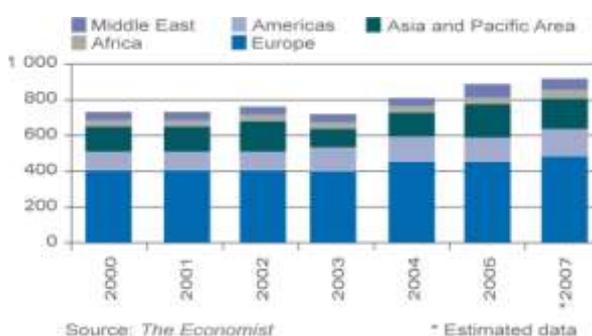


Figure 0.7. Number of tourists



In the EU states in 1995-2005 the development of new technologies was in approx. 50% the factor of overall performance improvement in the economy. Whether the changes in technologies will have such a broad impact in the forthcoming years up to 2030 – it is difficult to say. However, in an economy such as Polish one it is obvious. New teleinformatic solutions does not only change the production processes and trade, human resources or finance management, but also, while changing ways of life, they create new expectations of the consumers. **The role of teleinformatics in economic and social transformations is presented in the CHALLENGE 4.**

The mobility signifies also freedom of crossing borders in order to seek for the work and for touristic purposes, and in consequence – openness to the multicultural experience. It should be stressed that 50 years ago around 30 million of people travelled yearly, 10-15 years ago – 300 million, and presently it is almost a billion (figure 0.7).

Geographical mobility impulses change human life. In such a way it is the mobility – professional, virtual, life, geographical – which becomes the growth factor.

What follows from the fact that the mobility is a growth factor of such a scale? Changing, dynamic professional career becomes increasingly the result of choice and personal investigations of individuals fulfilling their aspirations. It is the case more and more often both in developed economies, as well as in the circle of economies defined as developing or emerging. Thus, there grow generations of aspirations that collide due to their mobility and adaptiveness with the demanding generations, which does not mean of course that the division line runs only along the limits of generations themselves.

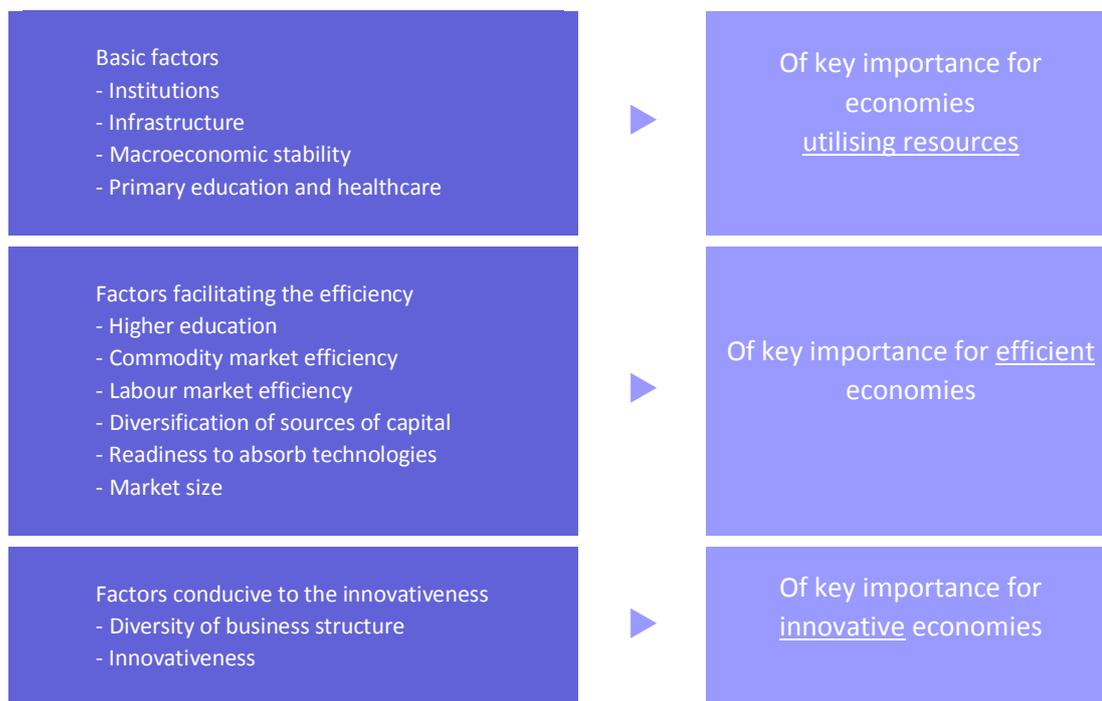
The need to fulfil the aspirations motivates to undertake an effort, but also – thanks to mobile technologies of the modern world – to the cooperation, exchange of information, achievement of goals thanks to the utilisation of knowledge and skills of the other people. 1.5 billion Internet users, and soon – above 1 billion participants of the e-trade, not even mentioning 600 million persons using the Internet by means of the mobile phone – provide the best example of how one may take advantage of experience and achievements of the others while pursuing one's own intentions and aspirations.

The actual and virtual border transgressing becomes the sign of new times despite 2008 crisis, which slows the transformations pace. Leisure time consumers, tourist – these 21st century travellers – do not only traditionally visit France, in number of 70 million, but also – in number of 65 million in 2009 – they will visit China. And even when they will use group offers, the contemporary marketing will want to reach to them individually. The personalisation of expectations, behaviours and needs is an additional feature of the mobility. It is the reason for which a contemporary mobility is the origin of changes in education systems, which have to be more and more focused on personalisation of services, and on the adjustment. With time, the same will regard health (therapy and prophylactics processes digitally adjusted to individual traits). In many work fields it is after all the case today, since the individualisation of tasks and responsibilities grows. **Significance of the mobility as a key growth factor shall increase in the perspective of 2030.**

Competitiveness

The competitiveness of an economy, i.e. realisation of its development opportunities, is determined by the productiveness of the economy. **The macroeconomic conditions and dilemmas of the future development are discussed in the CHALLENGE 1.**

Broadly understood productivity can be affected by many elements. They are comprehensively taken under consideration in **the competitiveness indicators research** conducted for years under the supervision of Michael E. Porter. Phases and areas of the competitiveness are multiple, and the components constitute 12 key pillars.



Source: *The Global Competitiveness Report 2008-2009*

Relations between the pillars are also important. It is hardly imaginable that the innovativeness (Poland earns 3.2 points in 0-7 scale) would be on a high level given a lousy institutional development (wrong and excessive regulations, intransparency of governing, bureaucracy, bad corporate ethics, etc. – Poland scores here 3.6). The quality of human capital (pillar 5), efficiency of the infrastructure (pillar 2 – Poland scores 2.8 in 0-7 scale) and market efficiency (pillars 6, 7, 8) are all of key importance as a base of innovativeness.

The development stage of a given economy – either focused on the base growth or on development components related to the efficiency, or those focused on the innovativeness – is determined also by the level of GDP *per capita*, which situates Poland among countries moving from the efficiency focus to the innovativeness focus stage (among new EU Member States only Czech Republic and Slovenia meet the GDP *per capita* criterion – above USD 17 thousand).

In the last ranking (2008/2009), Poland moved from 2. stage to a transitional group between the efficiency stage and the stage of innovativeness, and holds 53. position.

It does not affect the fact that among countries of similar competitiveness we are distinguished by larger market, but at the same time lower utilisation of modern technologies and performance, and attractiveness of financial market, not mentioning weaknesses of the infrastructure (quality of roads – 128. position in the ranking), the use of innovations and

institutional restrictions. In the latter area the burden of excessive regulations, intransparency of the decision making process (128. position in the ranking of 134 countries), lack of trust to the policy makers, law efficiency and degree of public funds wasting place Poland on rather low position in comparative assessments. Nevertheless we are, paradoxically, still at the starting point in the case of competition, as regards predispositions. These barriers are quite easy to overcome, however.

Poland's infrastructural development barriers are discussed in sections covering the CHALLENGE 4 and 5 and concerning power engineering, country's energy safety and the need of harmonisation of the energy policy with environmental policy.

It is worth underlining that Poland has (figure 0.8) competitive edges in areas connected with health issues (measures are very general and relate to the threat of epidemic spread of diseases of fundamental significance, e.g. malaria or AIDS, while we are standing out negatively as regards the infancy death rate), primary and higher education (as regards expenditures in the education we hold 27. position in the world), relatively in the use of telecommunications and the Internet, an availability of venture capital or wage elasticity and also as regards dismissal costs and the range of professional activity of women.

Figure 0.8: Stages of development



Source: *The Global Competitiveness Report 2008-2009*

In comparison with the countries ranked higher but on the close position, one may say that the supremacy of the Czechs and the Slovaks is connected with more efficient power engineering and better railroad infrastructure, preferable relation of growth of salaries and productiveness, higher availability of engineers in the labour market and better results in science education. The Slovaks have also advantages in the primary education (despite lower expenditures on the education) and access to the Internet in schools. Their economy is characterised by lower trade barriers, lesser restrictiveness for capital movements and broader FDI scale in the scope of transfer of technology. They have also GDP *per capita* higher than in Poland (by approx. USD 2 thousand).

In comparison with Portugal we perform worse in the area of the effectiveness of institutions and as regards the infrastructure, and much more worse in the availability of new technologies, quality and elasticity of laws regulating ICT industry, or absorption of technologies by the companies. On the other hand, the macroeconomic stability and regulations regarding labour market in Portugal are assessed as remaining on a lower level than in Poland. It proves that the bundle of factors determining the strength of competitiveness of a given economy may be *de facto* different and variable for economies of different type, with regard to possible specificity of competitive edges of a given country.

From the analysis of both competitiveness profile trends, the assessment of ongoing competitive edges and the weaknesses, it stems that what is the advantage today needs strengthening, while what constitutes a barrier today, needs adjustment. Four fields in the evaluation of Poland earn the lowest score: the infrastructure (2.8), the innovativeness (3.2), the institutional environment (3.6), and the readiness to internalise technologies (3.8).

While presenting the horizon of tasks related to the improvement of competitiveness, one should bear in mind variable dynamics of the global situation. Other countries also determine their goals, and the position in rankings is always of relative character – it is possible to achieve a great improvement in a given country at a time, but the others may achieve the same in a better and quicker way. So, in order to avoid the crude competition, the tasks and goals in the scope of the improvement of competitiveness require coupling with fundamental challenges faced by Poland in the perspective of 2030.

Identification of challenges faced by Poland and the country's development in the perspective of 2030 must concern basic change factors presented above, also of internal, but most of all of external significance. We have characterised five change and development factors, starting from the 'softest' and social ones – trust and cohesion – and concluding with multidimensional economic-and-social factors: creativity, mobility and competitiveness.

Poland needs both the infrastructure development, building of intellectual capital potential and the groundwork for innovativeness, as well as the improvement of institutional conditions of the economy, along with an increase of trust and state performance. These needs are defined in that way in the entire POLAND 2030 REPORT.

List of countries/economies on different stages of development

Stage 1	Transition from stage 1 to stage 2	Stage 2	Transition from stage 2 to stage 3	Stage 3
Bangladesh	Armenia	Albania	Bahrain	Australia
Benin	Azerbaijan	Algeria	Barbados	Austria
Bolivia	Botswana	Argentine	Chile	Belgium
Burkina Faso	Brunei	Bosnia and Herzegovina	Croatia	Canada
Burundi	China	Brazil	Estonia	Cyprus
Cambodia	El Salvador	Bulgaria	Hungary	Czech Republic
Cameroon	Georgia	Colombia	Latvia	Denmark
Chad	Guatemala	Costa Rica	Lithuania	Finland
Côte d'Ivoire	Iran	Dominican Republic	Poland	France
Egypt	Jordan	Ecuador	Qatar	Germany
Ethiopia	Kazakhstan	Jamaica	Russia	Greece
The Gambia	Kuwait	Macedonia, FYR	Slovakia	Hong Kong
Ghana	Libya	Malaysia	Taiwan, China	Iceland
Guyana	Morocco	Mauritius	Trinidad and Tobago	Ireland
Honduras	Oman	Mexico	Turkey	Israel
India	Saudi Arabia	Montenegro		Italy
Indonesia	Venezuela	Namibia		Japan
Kenya		Panama		South Korea
Kyrgyzstan		Peru		Luxemburg
Lesotho		Romania		Malta
Madagascar		Serbia		Netherlands
Malawi		Republic of South Africa		New Zealand
Mali		Surinam		Norway
Mauretania		Thailand		Portugal
Moldavia		Tunisia		Puerto Rico
Mongolia		Ukraine		Singapore
Mozambique		Uruguay		Slovenia
Nepal				Spain
Nicaragua				Sweden
Nigeria				Switzerland
Pakistan				United Arab Emirates
Paraguay				Great Britain
Philippines				USA
Senegal				
Syria				
Tajikistan				
Tanzania				
East Timor				
Uganda				
Zambia				
Zimbabwe				

Source: *The Global Competitiveness Report 2008-2009*.

Poland 2030 – in which direction?

Avoiding a developmental drift has to mean the conscious policy of **supporting 'development vehicles'** on one hand, while on the other – creating conditions of diffusion counteracting the negative results of polarisation. The diffusion means intermingling, it is a resources' replenishment process, thanks to which the levels of life equalise. **Strengthening of diffusion processes may take place when various institutions and state activity instruments are focused exactly on levelling opportunities**, either in the education, or in the availability of various professions and paths of career, or with regard to conditions ensuring full availability of public services (early education system, social security system, healthcare system), commercial services (use of the Internet and services provided by means of it) and cultural ones.

Therefore **the necessary condition of promotion and implementation of the polarisation and diffusion development model is an improvement of the state function**. The basis of performance is constituted by a good quality of transparently established law, subject-matter and adequate treatment of citizens by public institutions, fast and effective response of the police, public prosecution service, internetisation of public services, elimination of bureaucracy etc. It is also important that the public debate and cooperation of dialogue stakeholders be conducive to activities undertaken in favour of a common good, and enable at the same time building social consensus around decisions of key importance for electors in the public policy.

Growth of state performance will improve the level of the social trust. Shall the relations of the state with the citizen be based on new principles (including relations with civic organisations), much greater results and added value may be achieved. The added value will be constituted by the role of a welfare society in counteracting in many ways the social exclusion, marginalisation, by strengthening the autonomy of persons and social groups who are usually able today only to take advantage of money transfers, which deprives of independency. **In the social cohesion policy, both the state policy and the policy of state partners in realisation of such tasks (also commercial entities offering support and services in the social field may be the partners)**, it is critical to remember about the subjectivity of groups and individuals. For example, only a subjective approach to disabled persons, an approach appreciating their potential, and not focusing solely on the impairment and deficits – may re-orient and increase the social reintegration performance in Poland with regard to the majority of 5.5 million disabled persons.

But the social trust means also an openness of various communities towards each other and in themselves: in family, at work (where we spend almost half of our life), within a local community, among members of one generation together experiencing common values. The stimulation of the soft tissue of social relations by the state is not what matters here, as it is the harmlessness what counts. The intolerance patterns, false cultural values, sterility of public debate subsiding into hateful combat – are harmful for social capital. And **the Polish social**

capital needs also cooperation, and the ability to act as a community – not only because it is important with regard to the social equality and integration from the point of view of social cohesion, but also because such skills are key competences in the contemporary economic development, in utilising the power of creativity.

Shall such categories as social capital, state and governing performance, an engaging social cohesion policy, addressing its tools in a good way – be factors supporting the processes of diffusion, **we must not overlook at the same time the threats regarding the diffusion, which are created by civilisation underdevelopments in the field of broadly understood infrastructure.**

The transportation availability of Poland remains on a low level, whereby we are threaten by a double peripherality – of our development centres against Europe and the world, and of territories of a weaker development potential (rural areas, small town, East Poland regions) in relation to the Polish agglomeration development centres. If – in perspective of a decade – we are not able to complement fundamental transportation networks – roads and railroads, and we will not modernise transportation networks until 2030 in such a way so that the airport be reachable from every remote part of the country with one and not two changes, our competitive position in the economy will weaken.

In the polarisation and diffusion development model we will not resolve the problem of actual convergence between regions, unless we will eliminate the threat of transportation and digital exclusion.

But in creation of such a policy as well as high expenditures necessary for its realisation it is important to unify performance of management of these changes with **a new regional policy model. Such regional policy has to be based on the conception of spatial development of the country**, for it is the only way for us to answer, for example, the question whether the state should accelerate processes of employment reduction in agriculture, or rather leave them as they are and systematically provide conditions facilitating the creation of non-agricultural workplaces in rural areas. The situation, in which the rural households are maintained in 37% from social transfers, simply limits the development opportunities of rural areas' inhabitants.

The power, heating and fuel network is also of key significance. Weakness of the Polish energy potential, low performance of transmission given a high power demand connected with assumed high growth ratio up to 2030 require huge investments in the power industry. **It is extremely important to clearly distribute the state responsibility for networks and transmission and create sound, competitive, market conditions for development of power industry companies**, which will participate in the development of investment potential, not transferring the whole burden of costs onto the energy recipients. From the user's point of view it is necessary to ensure up to 2020 the access to the electricity and heating from various sources (inclusive of the nuclear energy and cost-efficiently realised renewable energy solutions). We may achieve a diversification of natural gas and oil sources only thanks to the opening of Polish energy and fuel exchange networks to the European security system.

Making up for civilisation underdevelopments – both regarding the citizens directly and those felt by the citizens through the availability and infrastructure – shall be connected with **investments regarded as public goals**, but often financed virtually from other sources: the European funds, state budget or increasing public debt (infrastructural State Treasury bonds, unless infrastructural companies will become such a reliable entities in the market over time, that their own bonds issuance, as it is the case in many developed economies, will support the investment development).

Over-average growth rate will require more complete activation of the resources, including state savings. The model of a development may be based only on investments.

Ensuring high economic growth rate at the same time requires however improvement of the productivity in the Polish economy. Aside from necessary investments – in human resources and the infrastructure – it is connected with the necessity of innovativeness' intensification and the more and more common use of freshly developed technologies. We do not have to be innovators in every domain. The imitativeness in implementing modern solutions may play a vital part in many areas of the economy. Still, there are many discoveries already made we are not able to make use of, mainly due to the insufficient cooperation between the science and the economy, which demonstrates the lack of specific brokerage skills. It does not only need modern and open industry leaders, but also the science financing and functioning system based on principles of the competitiveness. **The strength of new competitive edges of Polish economy may be based only on innovations.**

The basis for all those areas is created by a good education system and high quality of schools, universities and teaching staff. The education has two goals. **The first is the egalitarian one and connected with the availability and equalisation of opportunities** – this is also related to the dissemination of early education (from 3 years up) in Poland, in a perspective not longer than a forthcoming decade. However, **the second important goal consists in elitism** in schools, that is, in skilful headhunting, identification of the innovation and creativity leaders. It has to mean also a synthesis of experimental, technical and social-humanistic themes in school and academic teaching programmes.

Quick development consists in full utilisation of all the opportunities and resources. Poland belongs to the few countries in the world, where relatively high level of life is achieved with a very low employment rate (below 60%).

The answer to the question which regards non-utilising of the reserve which would enable another civilisation leap is as follows: **this is the key. Necessary steps include greater activity of persons inactive today, remaining in their houses, the actual creation of conditions conducive to the professional fulfilment of disabled persons, utilising the experience of persons in age of 50/55+ in a much wider scope, and at least – referring to the potential of rural areas inhabitants.**

In the competition process of contemporary economies, a high professional activity and a growing quality of education of those entering the labour market may prove insufficient, for the **mobility of employees and their adaptiveness** are also necessary. Those two factors are connected with the elasticity of forms of the employment, different organisation of work time, readiness to the life-long- and life-wide- education. At the same time, however, in the perspective of 2030 **the professional career will have different course. Its pace and cycle will have to match the life cycle and individual choices of human beings.**

Temporary migrations may become (and with quite a certainty up to 2020 they will be) fixed element of career at the professional start. The variable pace and cycle of life and professional career will perhaps need to take into consideration the paternal and maternal leaves braiding alternatively into the moment of career to be achieved after 30 and even 35 year of age. The requalification (and health-preserving) leaves may become fixed and natural element of a career path around the age of 45-50. And the activity period shall perhaps prolong up to the 65-67 years of age. Then, the course of retirement will be important – shall it be a deactivation period, or rather the period of activity within the framework of more and more fully, world-widely developing silver economy model.

The key to cope with this challenge consists in perceiving changes in and diversity of the professional career model as well as conditions enabling joining of professional and family functions. The family state policy is an especially sensitive area. **Up to 2020, a large portion of the social policy should focus on the early family support.** It means that the redistribution of care with regard to the individuals belonging to different age groups (the youngest and the most elderly) should be focused on the childcare needs.

However in the perspective of 2030, the activities shall be directed towards elderly persons, aged above 70 or 80 (in 2030 there will be more than 2 million persons over 80 in Poland), a gradual development of *the silver economy*. It would be important that thirty-, forty-, and fifty-year-old people take it into consideration while making present professional and life choices. Shall in response to the demographic challenges one be able to create a good relationship between the number of dependants and active persons, the major threats connected with demographic trends will be neutralised.

The polarisation and diffusion model characterised in our REPORT provides the opportunity to avoid a developmental drift. It requires a consistent, courageous and strategically directed policy. It requires expenditures and efforts, which – when taken – shall provide an exemplar of the solidarity of generation.

* * *

POLAND 2030 – Development challenges

FINAL RECOMMENDATIONS

1. What is this document?

First of all, the Poland 2030 Report is an attempt to perform a multifaceted diagnosis that would identify the place of our country twenty years after the great political, social and economic reforms had been sparked with the 1989 June elections. This diagnosis, however, shall not be limited solely to the insight into the past; more importantly, it shall be directed to the future, while seeking to establish the basic developmental dilemmas Poland has to face at the threshold of the next twenty years to come, the settlement of which shall have a decisive impact on our position in 2030.

Therefore, on one hand, this document is a critical approach aimed at evaluating the achievements of the period of transformation and at drawing conclusions therefrom in the perspective of one generation backwards. On the other hand, however, this document might be perceived as an insight into the future, also in the one generation perspective ahead, or as the presentation of tasks that shall be deemed Poland's top priorities for the forthcoming two decades. Thus, not only does this report include the very diagnosis, but also it accounts for the set of recommendations resulting therefrom in ten distinctive areas. By supporting and implementing each other, the said areas establish a homogenous image of the most important mid- and long term developmental challenges that our country shall be confronted by in 2009, while offering at the same time a comprehensive set of adequate modernising activities.

Most importantly, the Poland 2030 Report is a tool that enables us to work out a strategic approach toward the notion of governing a country. We do appreciate and support the achievements of scientific projects, which – such as The Foresight 2020 National

Programme – predict the possible directions of future development within predefined subject matter areas, while adopting a slightly different methodological approach. The Poland 2030 Report, being a strategic tool, combines a multifaceted, scientific analysis of the present condition and the diagnosis of future challenges with indicating a proper, adequate state development model, and laying out such activity directions that would facilitate the implementation thereof.

From the purely formal point of view, the Poland 2030 Report establishes a framework for the Long-Term Strategy for State Development – a document which, in line with the provisions set forth in the Council of Ministers' Action Plan, is to perform a pivotal role in the process of designing, developing, and implementing the means of public intervention aimed at stimulating Poland's development in the long run. The report thus, while assuming a long-term approach towards developing social and economic policy, responds to the need for strategic orientation in managing a country.

The urge to adopt such a long-term strategic approach is especially strong and sound in the times of the present global economic downturn. The crisis shall constitute an opportunity for countries that would be wise enough to use their potential to adapt, modernise and reform in order to stand out positively from amongst the global average; otherwise, the crisis shall pose a great threat for countries that – while not being able to identify own weaknesses and future challenges correctly – would escape into protectionism and easy fiscal and monetary expansion. Therefore, we shall perceive the present economic crisis primarily as a stepping stone for Poland's modernization and a good foundation for institutional changes of many year influence horizon character. It also means that there is no contradiction between the process of shaping the many-year project of Poland's civilisational revamping, which responds to the long-term modernisation challenges, and the short-term, reactive anti-crisis policy. On the contrary – the implemented counter crisis measures shall be firmly integrated into the many-year, strategic developmental model.

2. Where is Poland AD 2009?

Twenty years ago, in 1989, the process of system transformation began – a far-flung project aimed at a complete reconstruction of political, social, and economic system of our country. First of all, the very transformation meant the reconstruction of legal, institutional and organisational frames of a democratic and independent state, which were broken during the real socialism epoch. Moreover, it was the time when Poland started to be active again in the network of mutual international political, social and economic relations, i.e. in the field which we were cut off from for few dozens of years. Thus, the transformation period was most importantly the era of bringing Poland and Poles back into normality, which had been lost for more than half of a century while we had to exist in the authoritarian regime of the People's Republic of Poland, as well as planned economy of the real socialism era. However, it was also the time when profound economic and social changes took place, as the result of which – at the closure of two decades of transformations – today's Poland is a completely different country than it used to be

at the beginning thereof. The scope of changes that took place in 1989 - 2009 can be synthetically reflected in few figures.

Gross Domestic Product, which accounted for ca. 30% of the average EU 15 level at the time when transformation period broke out, today equals almost 55% of that volume. Meanwhile, the foreign purchasing power of an average salary in Poland increased almost fivefold. The social area also experienced similarly in-depth changes. Due to the educational boom, the percentage of young people studying in the years 1990-2008 increased from 10 to 40%. On the other hand, the expected life span, which in the evening of the People's Republic of Poland equalled ca. 71 years and had not been increasing for a long time, today accounts for ca. 76 years and is growing. Last but not least, the total volume of Poles' holiday trips abroad accounts for ca. 50 million, compared to 10 million at its best in 1989. So, during the recent two decades Poland has managed to successfully take historically unprecedented civilisational leap, which – despite the fact it had not turned out to be equally beneficial for all social groups of citizens – clearly resulted in the increase in the overall social well-being and allowed for significant improvement of the citizens' space of individual freedom and self-fulfilment capabilities.

The system transformation has left its unquestionably positive trace the quality of life of the majority of Poland's citizens; however, it has also revealed the differentiated potential and capabilities of particular individuals, social groups, and regions in seizing the opportunities and chances it had created itself. The then reformation effort, focused on reconstructing democratic institutions, establishing of the rudiments of market economy, and laying the foundations of home rule and civic society, had barely managed to level the deficiencies related to unequal chances and opportunities of persons who happened to be less educated, of poorer health, low incomes, or elderly. Instead, the state's social policy – within limited resources of a country that was gradually reducing economic backlogs resulting from the centrally planned economy – remained concentrated on making up for the consequences of all the related shortages and deficiencies. Similarly, the regions that had been recording a lower growth rate for decades (i.e. primarily low-urbanised and non-industrialised, rural areas), during the transformation period were barely provided with the proper tools and instruments necessary to develop internal chances for development and, consequently, to react effectively to the transformation-borne opportunities for the entire country.

Today, in 2009, Poland is a completely different country than it used to be two decades ago. A new generation has grown up; the generation that has spent its entire life already in free, independent Poland and that have high professional and personal expectations for the globalised world and united Europe. By having successfully gained the experience of last twenty years and joined the EU structures, we have provided ourselves today with greater than before capabilities for managing the multifaceted, multidimensional development policy. Thus, the transformation period has been completed; now we enter new development stage: modernisation period – improving the long-term competitive edge in the global scale, and, as a result thereof, building up consistently Poland's strong international position as a fully eligible and rightful member of the club of developed states.

The forthcoming twenty years shall be the time of intense making up for the centuries-old developmental backlogs when compared with Europe and America, as well as establishing solid foundations for future. Moreover, it is to be an era in which the social and economic approach towards the issues of equal chances and opportunities, individual and collective freedom, as well as establishing and seizing the internal growth potentials shall have to be defined and formulated anew. If we succeed in this field, in 2030 (so in the perspective of merely one generation) Poland shall become a modern country, enjoying wealth, safety, friendly relations with citizens, attractive to live in, and a country that does count on the European and global arena with regard to its prestige, political and economic significance. A successful completion of the modernisation period guarantees that Poland A.D. 2030 shall be a strong and dynamic developed country – so it shall be in a position it has never been before throughout the state's millennium history. The twentieth anniversary of Poles' overthrowing the communist regime in 1989 June elections not only is a right moment to venture to summarise this period, but also an occasion to look into the future and set up directions for our many-year development.

3. What does Poland need today?

The future starts today, not tomorrow. Our country does need a very clear and precise definition of its own, genuine developmental model – civilisational project adequate to future challenges. Decision we are about to make today, as well as actions we may give up, shall decide on our place in five, ten, or even twenty years from now on. Therefore, if we do want to face the challenges Poland has to face in the next two decades, we have to define the dilemmas that are deeply rooted in the contemporary social and economic reality today – in 2009, since these dilemmas shall determine our developmental chances and threats in forthcoming twenty years. What is also worthwhile stressing is the fact that we have to reach an agreement and understanding with regard to the basic directions of legal, institutional and organisational changes we are bound to introduce in order to make Poland a developed country in this perspective. If we fail to do so, there is a danger that we shall fall into the developmental drift and compromise our prospects for modernisation; consequently, we shall lose our potential.

The danger of developmental drift consists first of all in the risk of falling into passiveness, apathy, and self indulgence with our past achievements, disregarding the fact that the future calls for imminent action and change adjustment. The drift also finds its reflection in the reluctance to critically analyze our own and other people's experiences, and to draw some useful conclusions for future therefrom. By giving up to developmental drift, we in fact resign from the governing strategy based on rational assumptions and scientific achievements in favour of the rule of chance and subordination of the political goals to the election calendar and public opinion polls. During the time of prosperity, the drift consists in careless consumption of the sweet fruits of growth; during the times of recession, however, the drift means using only the politically safe forms of adaptation.

The randomness of vote and developmental policy inertia in a dynamically fluctuating world and in increasingly growing global economy competition pressure is a dead end and shall get us

nowhere. The innovation needs facing Poland include on one hand the necessity to leverage the development backlogs everywhere the negative burden of past is still quite significant (*inter alia* undeveloped transportation, IT, and power supply infrastructure, low effectiveness of public institutions, poor innovativeness of Polish science and enterprises) and on the other hand the urge to flexibility in responding to the newly born challenges, for example in the fields of demography, climate change, technological advancements, or globalisation. In order to avoid the drift, our country does need a clear and precise definition of its own developmental model – the one suitable and adequate to the needs of the civilisational project for the forthcoming twenty years.

The model which Poland needs now, and which shall make our country use its own resources in the best manner possible, is a polarisation and diffusion model. The secret of power and strength of such countries as the USA (with New York, Seattle, and the megalopolis San Francisco and San Jose), Great Britain (with London) or South Korea, consists precisely in their competition, creativeness, trust and mobility potentials that accumulate in the biggest agglomerations thereof. Here lies the hitherto dormant and unused chance for providing our country with stimuli for dynamic development in the future. The core of modern politics shall consist primarily in revealing the above mentioned potentials and capacities by eliminating the institutional, structural, and infrastructural obstacles limiting and restraining the development of Polish metropolises, as well as by improving the quality of the horizontal public intervention and increasing the effectiveness of the authorities.

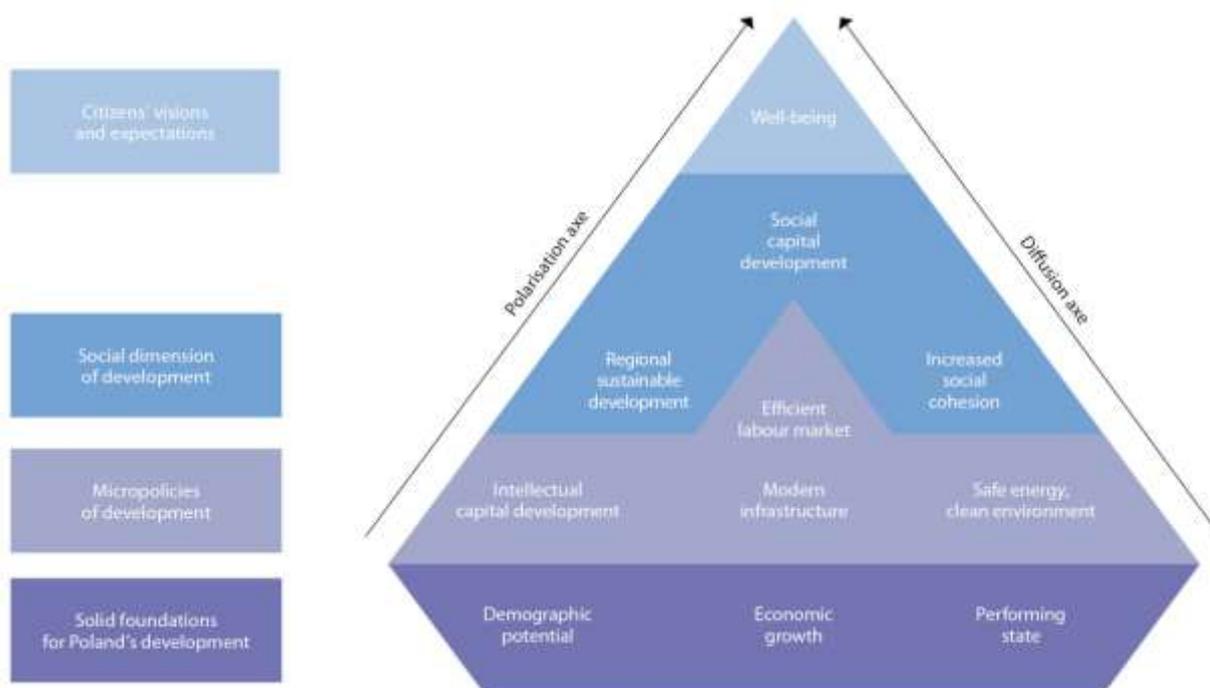
However, implementing the policy of supporting "the development vehicles" does not necessarily mean that we shall neglect the provision of conditions that shall be conducive to diffusing the fruits of growth.

On the contrary – it means that we shall support the process of replenishing local resources and activating and strengthening regional potentials and capabilities, which shall result in gradual leverage of the living standards and conditions in different parts of the country. In both dimensions of the polarisation and diffusion model, the improvement of the situation calls for concentrating the energy on the increase of the state effectiveness in managing those processes. In other words, in order to seize the opportunities that are opening for Poland in the perspective of 2030, and in order to prepare the country to the challenges posed by the constantly changing environment, the proposed developmental model accounts for undertaking the activities stimulating the development of the biggest Polish agglomerations and eliminating the barriers that restrain the possibilities of participating of the gradually increasing number of regions and local societies therein.

4. What kind of developmental policies do we propose?

The recommendations formulated in the Poland 2030 Report within the framework of ten identified developmental challenges can be grouped into three main, mutually interlinked dimensions (figure 1): 1) policies that create the demographic, macroeconomic, and institutional foundations of the development, 2) policies that increase the productivity level, mobility ratio and the adaptation capability of economy, and 3) policies that shape the social dimension of development and create conditions conducive to the diffusion thereof.

Fig. 11.1. Three dimensions of the polarisation and diffusion development model



The recommendations establishing the first of the above mentioned policy dimensions are aimed at setting forth the activities that shall be undertaken by the State in the macroeconomic, institutional and organisational dimension, in order to account for Poland achieving the permanent, fixed ratio of economic growth, which shall in turn guarantee a sustainable development of our country in a long-term perspective. Moreover, the role of the recommendations constituting the second of the identified dimensions is to establish a set of microeconomic interventions that are necessary for using the so defined foundations to the best possible degree. Last but not least, one of the presumed results of implemented recommendations that are supposed to set up the third dimension of the proposed developmental policy is the establishment of conditions conducive to its diffusion in the interregional and inter-group dimension, and thus the maximisation of the social benefits resulting from the economic growth.

In line with the diagnosis presented in the report, levelling with the developed countries before 2030 shall call for Poland establishing its own growth strategy, in the focal point of which the increase of the investment and labour profit rate shall be located.

In other words, according to the presented diagnosis Poland shall succeed in economic and social dimension only if it shall become a country worthwhile investing in, saving, working, and increasing the operational output to a much greater extent than it does take place nowadays.

Therefore, the major part of the recommendations grouped in the first two out of three dimensions characterised above is focused on the activities that:

- 1) encourage to invest, increase the equity supply and prompt to innovativeness,
- 2) improve the labour supply,
- 3) are conducive to mastering the professional skills and individual productiveness,
- 4) increase the mobility and adaptiveness to the economic shocks and strengthen the macroeconomic stability.

These recommendations all constitute a polarisation axe of the developmental model as acknowledged in the report.

On the other hand, its diffusion axe is spread amongst the recommendations grouped in the third dimension specified above, which consists in the policies that are conducive for disseminating the growth fruits and potentials in the regional and social dimension.

They have been formulated in such a way so that not only do they not interfere with the objectives set forth in the activities recommended in the two remaining dimensions, but – on the contrary – they become fully complimentary with regard thereof, while increasing at the same time the social cohesion and Poland's economic competitive edge in the long-term perspective.

(1) the policies that account for the demographic, macroeconomic, and institutional prerequisites for development

The first recommendation group focuses on the activities that are first of all aimed at increasing the capital and labour supply in economy in both mid- and long term perspective thanks to the introduced changes in the fiscal, institutional and organisational stimuli that influence the human motivation to undertake any kind of economic activities. In the field of fiscal policy, the recommendations presented are focused on minimising the distortions the fiscal system brings about in the economy.

First of all, one should mention the recommendations that call for establishing such a fiscal consumption, equity and work burden distribution so that it might generate higher savings and investment rates. These changes would primarily embrace shifting the fiscal burden from capital taxes towards the indirect taxes acquired from, *inter alia*, pro-investment alterations introduced in the capital taxation rules, and on the other hand – harmonisation of the indirect tax rates and broadening the taxable base of direct taxes and insurance premiums due. They shall be implemented by the introduction of changes favouring the work profit towards the benefits profit and decreasing the tax rates paid by the persons earning the least. Changes in the fiscal system would have to be undertaken simultaneously with transformations in the social security system, harmonised therewith.

In line with the diagnosis set forth in the report, one of the undesired side effects accompanying some institutional solutions that are present in contemporary legal order is not only an exceptionally low – on the European scale – employment rate, but more importantly

the inequalities experienced on the labour market by women, young persons, disabled persons, farmers and people over 50. It is also noticeable that preserving the present state of affairs may result in the future in drastic deepening of the social exclusion of elderly persons. The integrative dimension of the recommended changes is thus not less important than their macroeconomic and demographic dimension.

In particular, the report indicates an urgent need of continuing these transformations in the social security system that shall limit the number of the pensioners benefiting from the system under 65-67 years of age to the socially justifiable and acceptable minimum, that shall encourage professionally active persons to retire later, and that shall support combining work with education, child care, health and professional rehabilitation. The proposed changes shall include in particular the integration with the general system of actuarially unbalanced special systems, levelling the retirement age of men and women, and the reconstruction of the support system for the disabled persons, so as the starting of professional career could be treated as a tool of actual social inclusion. The report also stresses that the real discussion on the Poland actual development and growth can not disregard the migration phenomena. Of key importance here are especially such activities that might internalise and implement the potential of migration – both the re-immigration from abroad and the internal, domestic migration movements. The activities aimed at making the labour market more flexible and thoughtful, and careful support for the development of the transportation and housing infrastructure shall contribute to the improved effectiveness of labour resources allocation within the country and to the concentration thereof around the most vivid and active urban agglomerations, thus contributing to the overall development and advancement of Poland and improving the well-being both in regions that record the net immigrant influx, and in regions with noticed drain thereof.

The recommendations presented in the report also include numerous institutional and organisational changes that are complementary to the proposed reforms of public spendings and incomes. The said changes, similarly to the fiscal activities, in the long run are to be conducive to the improved investment operations and higher labour supply due to the increased expected return on equity (ROE) and labour. What is worthwhile mentioning among them, first of all, is the promotion and support provided for the fertility rate by investing into and subsidising the guardianship and educative infrastructure, as well as undertaking numerous regulative and institutional reforms oriented at the improvement of the public intervention quality in its legal and organisational dimension.

The basic driving principle behind the said changes is the trust towards the market mechanism and reassurance of the high quality of state activities in order to place the citizen in the very focal point of any administrative activities, thus gaining the full capacity and potential to execute his/her own rights both in the individual and economic sphere. Especially in the field of regulation and law application, the report stresses the need for construction of flexible legislative mechanisms and in-depth changes in the judiciary as an effectively acting guarantor of exercising the rights of citizens and business entities. In order to improve the quality of regulations being formed in Poland, one has to especially strengthen the role non-governmental sector plays in the process of designing and implementing the public

intervention – in the form of think tanks, construction of efficient platform for public discussion and significant improvement of law making and exercising mechanisms as executed by the central state institution.

One of the crucial strategies for eliminating the formalism and legal bureaucracy from the citizens' life shall be the concentration on objectives and wordings of the regulations both at the stage of law making and exercising. The way of regulation formulating shall be carefully and precisely correlated with the objectives the given regulation is supposed to meet. In the economic dimension, the deregulation shall not be perceived as the elimination of the biggest possible number of existing rules and regulations, but rather as an "optimisation" of law that results in noticeable improvement in functioning of the state institutions and market mechanisms. The macroeconomic stabilisation shall be further enhanced while Poland joins the euro zone in the forthcoming years, which shall be feasible due to a consistent execution and simultaneous coordination of structural reforms, so as the implementation thereof shall remain in line with the fiscal and monetary pragmatics of the entire process. One of its desired elements shall be the gradual modernisation of fiscal and monetary rules that would improve the rational dimension of the Polish macroeconomic policy. In this context, the particularly welcomed activities shall include, *inter alia*, providing the government with tools and instruments that would make it responsible for the financial consequences of proposed regulations and for the execution of the state budget. First of all, one should think here about introducing the option of a budget blockade, understood as limiting the implementation of a given amendment in existing law, if the amendment poses a threat to the budget discipline.

(2) Policies improving the productivity, mobility and adaptiveness of the economy

In order to run the economic policy that is conducive to improving the labour and equity productivity, and for higher mobility and adaptiveness of labour and companies factor, calls for focusing on four major areas: infrastructure, education and science, as well as economic regulations and institutional and organisational solutions, especially in the labour market. The activities within the scope of the infrastructure shall impose on the state the duty to first of all increase the public spendings for the public infrastructure – complementary to the private capital (i.e. transportation, IT, transmission, and power supply) and to focus the investment efforts on the growth poles, which means most predominantly investing in such a spatial and time sequence so as the improvement of its condition would influence the most the investment decisions of the enterprises, including the localisation strategies for the direct foreign investments. It means that the Polish metropolises shall be joined with the Western European economic system via the operational and patent transmission channels, while at the same time constructing the diffusion transmission system that would couple the Polish metropolises with peripheries. As far as the IT infrastructure is concerned, a special attention shall be paid to the dissemination of the broadband Internet services and telecommunications investments, so as to secure the ongoing readiness of Polish economy to absorb state of the art solutions and implementations, *inter alia* through the investments into the "future-resistant" infrastructure.

In the field of power supply investments, it is recommended to implement the model that shall include the activities aimed at improving and diversifying the energy mix (including the nuclear

power) and the financing sources (EU funds, private funds, loans), as well as at the responsibility share (between the state and private business) – by doing so, not only in 2030, but also throughout the entire twenty years to come, we shall ensure that Poland's power sector is no longer a source of risks and threats, and a weak link in the chain of the economic growth of the entire country, generating risks and costs difficult to absorb. An important dimension of the recommendations formulated in the report accounts for accentuating such changes in the power sector that would prevent from neglecting the climate issues apart from the economic matters, especially the issue of gradual limitation of the CO₂ emission level in the Polish power industry.

By adjusting the education model to the challenges of the contemporary world, we shall ensure both the improved access to early education to the children aged 3+, by an adequate and appropriate development of kindergarten networks, and skilful combination of the egalitarian function of the common education system with its elitist function – head hunting. Individualisation and personalisation of education, improvement of science and higher education competitive edge by establishing the international reference points and the rules for fair competition in the access to the resources, increase in the importance of skills – and not only knowledge, focusing on individual creativity and the ability to work in a team, ensuring the access to higher level education, as well as a new model of selection and recruitment of the teaching and scientific personnel, and the change in the incentive system thereof – these are just few of the elements of a complex set of recommendations within the scope of education set forth in the report.

In the perspective of 2030, while bearing in mind the necessity to trigger the developmental Poland's potential, it is of utmost importance to significantly increase the hitherto moderate means for scientific research, as it is the case in other countries thinking about their future. The process of increasing funds for science and technology shall begin already today, and it shall concur with introducing therein the mechanisms promoting effectiveness and advancement of conducted researches. The increase of public financial support for the research and development activities shall relatively soon (and providing for simultaneous pro-effective changes) find its reflection in the improvement of the quality of Polish scientific research, and consequently, in the increased interest of the private sector in financing thereof. As a result, mechanisms of cooperation between the science and business shall be triggered, which would make it possible to benefit from the scientific achievements in economic practice and to build on the competitive edge in innovativeness.

Development of adaptiveness and the mobility of labour resources call for, on one hand, providing education being tailored to the labour market requirements, especially the life-long education, and on the other hand – introducing new institutional and legal solutions in the market's framework. In particular, this applies to the new rules for executing active labour market policies – leading them to efficacy and outsourcing, addressing the activities towards not only the unemployed, but also the passive and employed, as well as improving the flexibility of the regulatory solutions concerning the work time regime and salary. The list of areas to be transformed included also the model of combining the professional work with family functions (new model of

life cycle and career, shared responsibility of women and men for taking care of children), and the model of social policy, which shall be oriented more towards the notion of workfare state – i.e. allow for triggering the hitherto unused potential of persons excluded from this market (*inter alia* some groups of women, disabled, persons under 24 and over 50 years of age).

(3) Policies shaping the social dimension of development and creating conditions conducive to its diffusion

In the perspective of 2030, a real risk for Poland is the persisting low level of social capital in the country. This can have a negative influence on the factors essential to providing conditions conducive to economic growth, modernisation and establishment of a global, long-term competitive edge. The growth of the social capital shall advance in such a direction so as to enable the Poles to replenish the gaps in the survival and adaptiveness capital (which to a large extent they do have now) with the development capital: enabling them to effectively and successfully cooperate and develop in the contemporary world based on innovativeness and creativity, in which the only thing that remains constant is the change itself.

The recommendations include also a number of activities aimed at strengthening the Polish civic society and supporting the establishment of centres that build new creative class, which shall become the driving force for changes in Poland in the forthcoming two decades. In the middle of them, there is a process of building up the citizens' trust to the state's institutional infrastructure: public institutions and administration, which shall gradually increase along with the improvement of the infrastructure's efficiency. The improvement of effectiveness of public service institutions, such as judiciary, health care, protection of property and people, public mass media, or social welfare, can only become successful if we introduce the modern, up-to-date methods of management and remuneration in the above entities. The foundations for a state efficiency improvement strategy shall consist in adapting know-how and experience of the private sector, and in some instances in establishing a common areas for cooperation of public and private sectors. In particular, one should reformulate the role and place of public mass media, which shall become a source of binding standards with regard to providing reliable, objective information, public debate, high culture, promotion of stances and values than remain in line with the needs for shaping the social development capital characteristic for the 21st century.

The public debate, in turn, shall be devoted to the key challenges and dilemmas of the state development policy; also, it shall equally engage all stakeholders, including those who, similarly to the third sector, find themselves too often excluded from this dialogue. Moreover, the objective thereof shall be the increase of mutual trust amongst people, as well as of citizens' trust towards the state. By providing the debate with such an appropriate quality level, we shall be able to transform the public authorities' incompetent, subjective way of communicating their goals, strategies and actions, and the citizens alike communicating their uncertainty, frustrations and anxieties into a genuine social dialogue. The language generated in this dialogue would be used for describing the contemporary world and Poland's role and place therein, and it would be comprehensible for all citizens (both those who have benefited from the

transformation, and those who find it difficult to internalise the development capital and to use it effectively).

Also, Poland shall define its image and promote it professionally and in a consistent way abroad; this image shall be coherent with regard to identity and value with the image promoted inside the country, so as to – on one hand – support the Polish citizens abroad in their positive identification with home country and with each other, and on the other hand – create a positive image of Poland as a modern, dynamically developing country amongst the foreigners. Such activities are especially crucial in the era of global capital and investment competition. New approach to the notion of social cohesion calls for focusing first of all on the effective use of potentials of all persons experiencing and suffering from the deficits and dysfunctions that impede their self-sufficient use of these potentials. In such an approach, the social policy tools shall be primarily implemented in eliminating or diminishing the root causes of exclusion, and, if it turns out to be unfeasible, in ensuring, to the largest degree possible, that they do not hinder the economic and social integration. In the field of social cohesion, the Poland 2030 Perspective also calls for the development of proper policy instruments used for counteracting newly born threats. Especially after 2020, we can expect a rise in the poverty risk amongst the elderly, which shall call for ensuring this category of people with such new tools that would enable them to remain active and effective socially and professionally for a longer period of time. Such instruments shall be implemented even today in approaching the disabled persons, *inter alia* by improving their access to modern methods of rehabilitation and education.

In the long-term cohesion policy, it is important to realise that the poorer areas' chance for growth consists primarily in active participation in sharing the success of the strongest regions, not in merely immediate help provided in the scope of policy of redistribution and privileges. Therefore, in the presented recommendations that build on the diffusion axle of the proposed development model, the cohesion shall be interpreted first of all in functional category, not only with regard to the process of income levelling. At the same time, the presented proposals have been built upon the principle stating that the more effectively impeded regions shall build their own development potential, the stronger the functional links between peripheries and growth centres shall become.

Effective public policy in some domains can speed up the processes of diffusing the development from the leading areas onto today's peripheries. These domains first of all include the infrastructure and education. None of the diffusion policies shall prove to be fully effective if the transport and traffic accessibility of the peripheries (i.e. their spatial links with regional development centres and the biggest metropolises) is not improved. Any and all executed activities shall first of all support the process of minimising the risk of a so called double peripherality: the country's development centres as opposed to Europe and the world, and the regions characterised by poorer development potential (rural areas, small towns, Eastern Poland) as opposed to Poland's biggest development centres. In the perspective until 2030 this shall mean that the existing transportation network shall be modernised in such an extent so as to allow for free and convenient access to the airport from each and every remote part of the country – and having to change once instead of twice.

What shall be of equal importance in the light of the process of levelling the chances for growth, is the broad dissemination and promotion of the preschool care. Also, the present model of the access to the public institutions of higher education that favours the persons possessing high social and economic status has to be changed. The improvement of the teachers' mobility, creation of models for disseminating good practices and stronger relation of financing and career with the quality of work evaluation are recommended on all levels of the education process. It is also important to eliminate the digital exclusion, which is especially true for the rural regions of the country. However, if the IT technologies are to become the catalyst for the development diffusion, one needs not only to level out *ad hoc* the existing differences (for example in the access to the Internet), but also to establish a fixed, permanent mechanism that would enable the citizens to internalise new technologies, including those that do not exist yet. Here, the education system plays the pivotal role. It is necessary to focus the attention of the school education system on improving the skills of Polish pupils in areas that have been below the OECD states' average level for many years – i.e. natural sciences, maths, creative thinking, and solving unusual, original problems.

In the perspective of 2030, the risk of further peripheralisation of areas characterised by the economy with large share of low-production or non-production farms shall also be eliminated. According to the presented recommendations, the chances for these regions are to be sought for not in supporting their agricultural function, but rather in giving it up. The recommendations account for the elimination of a separate tax system for persons running agricultural business activity and the need for modernising the system of social security for farmers. The objective of the recommended changes is to level out and make up for the distortions in the individual choices of professional path caused by separate tax and expenditure solutions binding in the agricultural economy. The recommended changes might be taken advantage of both by persons who would decide to look for employment opportunities outside the agricultural sector, and those who would decide to continue their farm-related professional activity.

5. What shall be the tokens of success in 2030?

The objective of Polish development policy shall be to catch up with the developed countries in the two decades to come. The tokens of Poland's successful growth and development in 2030 shall be as follows:

1. Demographic, macroeconomic and institutional foundations for development

- In the field of growth and competitiveness:

- increase in the long-term growth rate from the present 4.3% up to at least 5% within the entire time span of 2009-2030;
- increase of the long-term investment rate from 18% of GDP today up to at least 25%, including the investment in machinery and equipment up to at least 17% in 2030;
- consistent growth of the share ratio of the high-tech products in export up to 40% and at least 25% share in the GDP of the IT-based economy sectors;
- the successful diffusion of new technologies that shall be implemented within the next two decades, shall be reflected in the lack of any backlogs in Poland using these technologies as compared with other European countries, as well as lack of social groups inside the country excluded from the access and use of new technologies;
- the increase in the domestic savings rate proportionally to the investment rate growth, so that starting from 2015 it might be possible to permanently keep the current deficit below 3% of GDP, and after 2025 to balance it;
- inflation rate remaining within 1-4% per year, and total elimination of the structural deficit factor of the public finance sector (cyclical PFS balancing).

- In the field of demographic situation:

- increase in the fertility rate up to at least 1.6 child per one women aged 15-45;
- Equalisation of the retirement age of women and men and prolongation thereof – along with the improving health condition of Polish seniors – from 60 and 65 years up to at least 67 years in 2030 respectively;
- decrease in the number of professionally active people aged 15 and above against the number of professionally passive ones from present level of 1.7 up to 1.1 - 1.2;
- equalisation until 2030 the average life span for women and men in Poland with the corresponding values in the most developed European countries and reaching the objective of at least 90% of total life span being lived in good health (at present the value is 86% for men and 84% for women);
- increase in the share of pension system spendings for retirement allowances of actuarially balanced character from less than 1% today up to 70% in 2030;
- elimination of overmortality, especially of men aged 30-59, as compared to the EU27 average (in 2006, overmortality in Poland accounted for less than 70% of that average).

- In the field of labour market:

- maintaining average unemployment rate per one business cycle below 5%;
 - increase in the employment rate of adults in actual productive age (15-64) from 60% today up to at least 75% in 2030, and in the case of disabled persons – up to 40%;
 - relative equalisation of the women employment rate with the men employment rate in all age groups;
 - involvement of at least 20% of the total adult population in lifelong learning;
 - reaching high labour market flexibility ratio reflected in fast reduction of unemployment rate after very first signs of economic revival after a period of slowdown.
- **In the field of performing state**
- shortening the average duration time of court proceedings in line with standards binding in countries with similar legal system, i.e. Germany and Austria,
 - improving the effectiveness of spending funds for the judiciary, in order to level it out with the effectiveness prevailing in countries with similar legal system;
 - ensuring the access to means and resources of legal aid (both complimentary and paid) for each person who needs it both at the pre-trial and trial stage;
 - increase in positive evaluation rate for the judiciary from present 9% up to 50% in 2030.

2. Productivity, mobility, and adaptiveness of economy

- **In the field of infrastructure potential:**
- increase in the share of high-speed passenger rail traffic (above 121 km/h) from 3% to 20%, and above 161 km/h – from 0% to 8%;
 - increase in the average speed of the inter-agglomeration trains from present 85 km/h to 130 km/h in 2030;
 - increase of the highway density ratio from 2.4 to 6.4 km/1000 km² and the expressway ratio from 3.8 to 23 km/1000 km²;
 - increase in the per year volume of the air traffic passengers to the level that exceeds the number of population by at least 20% - by improving Poland's accessibility by air and the airport-city connections;
 - in 2030, full, country-wide range of broadband services, the quality of which (capacity, price) being in line with European standards;
 - the rate of IT infrastructure penetration allowing for data transmission on the level that meets the globally binding technological standards by 2030 shall have reached at least 75%.
- **In the field of power and climate safety:**
- increase of the power output by 20% and decrease of the economy energy consumption in Poland to the EU level as of 2005;
 - increase in the share of renewable energy sources in the structure of power generation to 20% and meeting the objective of 50% reduction in CO₂ emission;

- construction and modernisation of the cross-border transmission hubs allowing for the increase in electric power exchange up to 15% of its domestic consumption in 2015, 20% to 2020 and 25% to 2030;
 - decreasing the domestic transmission system failure frequency by 50%;
 - improving the natural gas storage capacity to 3.8 bln m³ and liquid fuels storage capacity to over 12 million m³, developing and executing the investment projects that shall have ensured the twofold increase in the electric power generation capacities by 2030;
 - construction of at least two nuclear power plants, one of which being operational by 2020,
 - diversification of the natural gas-based energy resources and the gas sources themselves, improving the domestic gas extraction potential and reaching the level of 30% share of LNG supplied via the Gasport (from 2,5 bln m³ to 10 bln m³).
- **In the field of knowledge-based economy and intellectual capital development**
- dissemination of common Internet coverage close to 100%;
 - ensuring all children the access to early education in kindergartens, as opposed to the present state, where ca. 60% children in cities and ca. 20% in rural areas go to kindergartens;
 - improvement of the output of Polish pupils in the field of natural sciences and maths, in order to place Poland in the group of top 10 OECD countries with regard thereto (in the PISA program); today, in both these disciplines, Polish pupils score below the OECD average);
 - increasing the percentage of students from technology and mechanical engineering, and mathematics and IT faculties from present 13.5% up to ca. 20% in 2030;
 - increasing the spendings for R&D up to 4% of GDP annually, of which at least 2% shall account for private grants;
 - limiting the percentage of scientists employed in the public sector from present level of 92% to 60% respectively and rising the percentage of scientists employed in the private sector from 8% to 40%,
 - increase in the number of patents granted to Polish citizens by the European Patent Office from 4 to 40 per 1 million inhabitants, and increase in the share in the global volume of so called triad's patents (i.e. patents subject to legal protection in the USA, Europe and Japan) – from ca. 0.02% today up to at least 0.4% in 2030;
 - increase in the share of Polish scientific researches in the citation index from ca. 0.5% today up to 3% in 2030, as well as increase in the share of Polish authors in the group of the most frequently cited publications globally from 2 to 10 per 4000 scientists.

3. Social dimension of development and the conditions for its diffusion

- **In the field of regional solidarity and cohesion:**
 - reaching by the poorest regions of Poland the ratio of 60% of average GDP per capita in the EU27 states (at present ca. 40%);
 - increasing the urbanisation rate up to ca. 70% from today's 61%;
 - increasing the percentage of people who live in regions where the travel to the provincial administration centres using roads and railroads shall take no more than 60 minutes to almost 100% (at present, this is 60 and 70% respectively);
 - dissemination and promotion of preschool care in rural areas, covering with preschool care 100% of children aged from 3 to 5 nationwide (today 20% in rural areas and 60% in cities);
 - drop in the number of people employed in the agricultural sector to ca. 5% (from today's 15%) and increase in the rural households' incomes generated by employment in non-agricultural sector up to 50%;
 - increase of the international significance of Polish cities in the European network of metropolises; using the ESPON terminology, it is highly advisable that Warsaw becomes a strong Metropolitan European Growth Area (strong MEGA), and Poznań, Łódź, Wrocław, Kraków, Tricity and the Silesian agglomeration – medium MEGA (today Warsaw is included in the group of medium MEGA, and other mentioned cities are treated as weak MEGA).

- **In the field of social cohesion:**
 - decreasing the relative poverty level by 8 percentage points in total and by 15 points in the case of families with three and more children;
 - increasing the employment rate of the disabled persons by 20-30 percentage points (especially on the open labour market);
 - reaching the state where the percentage of disabled people enrolled in and graduating from the tertiary level of education shall account for 50% of all disabled persons (according to the Gross Enrolment Ratio – GER, i.e. the percentage of young people completing the university studies with at least B.A. title as compared with the total number of young people in this particular age group);
 - addressing better the social transfers directed to poor persons reflected in the increase from 10 to 30% of the total sum that is allocated in 10% of the poorest households;
 - counteracting the rise in poverty risk amongst persons aged 65 and above.

- **In the field of social capital:**
 - increase in the interpersonal trust level to 35-40% (according to CBOS data);
 - doubling the civic activity index up to 26-30% (in line with the Centre for Democracy and Civil Society Index),
 - increasing the fixed voter turnout in parliamentary and presidential elections up to 60% and more;

- limiting the differences in the number of NGOs per 10k inhabitants and reaching the level of ca. 20 organisations per 10k inhabitants;
- decreasing the percentage of citizens excluded from cultural activities from today's 60% to 30% in 2030;
- increasing the culture sector input in GDP up to 5-6% GDP; ensuring the widest access possible to the national heritage resources by recording them and rendering available to the public in a digital form.

6. What is the future for the presented recommendations?

Behind each and every recommendation out of the ten that Poland has to face in the horizon of two next decades, there is a choice we have to make between seizing the chance for entering the fast path of modernisation and giving up to the developmental drift.

In the area of competitiveness, the developmental drift shall mean many-year stagnation instead of building the foundations for constant and fast economic growth, which is equal with losing a chance for joining the group of developed countries in one generation horizon. Failure to use the demographic potential resulting from the constantly prolonging expected life span, can bring about very costly social and economic consequences of changes in the age structure. Desistance and abandonment in labour market policies shall petrify further the state of uncertain stability characteristic for this market, instead of generating the Poles' ability to adaptiveness and mobility.

In the field of infrastructure, the threat lies in the twofold peripherality – both in Poland's relation with the world and particular areas in relation to the domestic development centres – resulting from the poor quality, weakness and low density of infrastructure. The lack of harmonious, comprehensive reaction towards the climatic and energy-related challenges can result in the situation, where the economic growth in Poland shall be restrained by an impassable barrier and the environmental protection goals shall not be met. Desistance in the field of intellectual capital can result in Poland's distance to the developed countries to be steadily increasing, especially with regard to education, creativity and innovativeness.

If we do not effectively use the chance for creating diffusion mechanisms and strengthening the internal growth potential of all Poland's regions, we shall be threatened with a permanent development polarisation.

The developmental drift in the field of cohesion means that we still keep to the model of social policy prevailing in the transformation period that was oriented towards compensating the negative consequences of exclusion instead of eliminating the reasons thereof, which shall result in wasting the potentials and limiting the individual freedom of choice for a significant part of Polish society. Failure to execute the citizen-oriented institutional reforms, being one of the key obstacles in development, shall pose a risk of progressing weakening of the state legal and organisational infrastructure, decrease in its performance level, failure to seize the chance for speeding up the economic growth and drop in citizens' trust towards the state. In the field of social capital,

we can choose either to still keep to the adaptation and survival capital, or to undertake a common effort in order to complement it in such a way that Polish society would be able to make the most of the chance for generating the development capital AD 2030.

All the above mentioned threats are imminent to Poland already today, and the ultimate objective of eliminating them shall become the core driving factor for the Polish policy of development. The comprehensive model of such a policy – the one ensuring the elimination of drift risk in the ten selected domains and building strong, reliable foundations for future – was presented in the Poland 2030 Report. This report addresses the issue of public choice in a comprehensive – and not selective – manner, assuming that the modernisation process is a complex, multi-fold phenomenon and has to be implemented as such. By implementing the recommendations included in the report, we can ensure that our country, within the forthcoming two decades, not only shall avoid the risk of economic growth being significantly slowed down or even stopped and the risk of making up for many-year civilisational backlogs in comparison with other countries in Europe, America and Asia, but more importantly shall be able to gain new competitive edges and build up foundations for reliable and permanent social cohesion based on the inter-generational and inter-regional solidarity.

Therefore, it is of utmost importance to take up the modernisation challenge that awaits our country 20 years after the 1989 June elections and reach the mutual consensus with regard to the Poland 2030 Project.

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About us

Board of the Strategic Advisors to the Prime Minister of Poland

Board of the Strategic Advisors to the Prime Minister is an independent, consultative body created on March 6th 2008 by ordinance of the Prime Minister. The founder and the head of the team is Michal Boni, Ph. D., Minister - Member of the Council of Ministers. Under the leadership of Mr. Boni, the Board analyses and evaluates the socio-economic situation and condition of the country. On the basis of these strategic analyses, the Board prepares independent proposals for Poland's economic and social development.

Members of the team cooperate with the governmental administration and its subsidiary units in the field of strategic planning and implementation of long-term programs. The Board is also responsible for reviewing proposals of new regulations that might have an impact on the realization of strategic, developmental goals.

Members of the board come from different academic and research backgrounds – from such fields as economy, education, media and communication and regional development. Apart from specializing in these varying fields, Board members are high-profile specialists with regard to the strategic development of the country.