SMART SPECIALISATIONS OF REGIONS AND CREATIVE BUSINESSES IN THE REGIONAL DEVELOPMENT

The aim of this article is to draw attention to a strengthening tendency in the country to introduce targeted and synergistic development of macro-regions through effective use of leading potentials of provinces. Smart specialization and development of the sector of creative businesses are now key and integral pillars of regional development in the EU, which is due to the strategy Europe 2020. The paper contains an overview of selected theories on regional development. It discusses concepts such as smart specialization, regional development, and creative businesses.

The development of Macro-region of Central Poland illustrates the national and EU tendency to a deliberate and purposeful selection of those smart specializations and a potential of the creative sector which decide about its competitiveness. It is based on potentials of mainly large cities; the potential of rural areas is omitted. The Municipality of Puszcza Mariańska (Mazovian Voivodeship) is an example of a rural commune where ca. 28% of all entities build a creative sector. As the only municipality in Poland it has its own map of creative businesses. Symbolically, it represents many other rural municipalities, whose own creative potential is not widely known and is not supported by the authorities at various levels through the creation of appropriate infrastructure, as is the case for example in Ireland (the activity of local authorities, national and international programs, proper promotion).

The presented material shows that support for the development of regions, forming a given macro-region, with activities related to the innovative and creative development is necessary; however, it requires in-depth perception of its potentials.

**Keywords:** regional development, smart specializations, creative businesses.

1. **INTRODUCTION**

Undoubtedly, high hopes for dynamic development of the European Union implies acceptance of the new Strategy Europe 2020. It became for the EU member states an impulse to profiling own regional development in line with the three priorities, i.e.: intelligent development of economies based on knowledge and innovation, sustainable development, based on the economy more efficiently using the resources, greener and more competitive, and development conducive to social inclusion³.

Smart specialization is a young concept of development policy of the European Union to particular regions. It is referred to as "the entrepreneurial process of identifying the

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areas of science and technology, whose expertise can be used by the selected region\textsuperscript{4}. So formulated a concept for innovation policy and entrepreneurship in organizations allows for synergistic and efficient use of public support for strengthening innovation capacity in the areas that provide a visible competitive advantage. The support of the European Commission initiated work on the implementation of smart specializations by creating the so-called "Smart specialization platform"\textsuperscript{5}, on which various organizations exchange experience whose aim is to define needs or assess the competitiveness potential. In Poland, smart specializations have priority over the regional ones. The progress of work in the country on the definition of regional smart specializations is varied. There is a noticeable convergence of already selected specializations at national and regional level; so these actual specializations are focused on the growth and development of the economy of the whole country.

In the development strategies of macro-regions and regions in Poland, smart specializations are one of the pillars of obtaining the effect of accelerated development, based on endogenous development potentials of the territory. In this approach, regions are defined not only in terms of administrative boundaries, but in particular their functional properties are exploited (functional regions).

Smart specializations in the regions also draw on the potential of creative sector, which has relatively recently been noticed and appreciated in Europe. However, its potential is significant enough that in the strategies of many regions it is one of the main pillars of the development. In the program documents of Poland it is assumed that the creative sector is divided into two groups of activities\textsuperscript{6}:

- creative activities including advertising, architecture, art, crafts, design, and fashion design, video, movie, as well as musical, photographic, artistic, entertainment and publishing activities, activity in the field of software and
- activities of the large use of knowledge, including manufacturing and services in the field of information and communication technologies (ICT), financial services, legal services and other business services (e.g. consulting, market research, research and development - R & D and higher education).

In a broader scope, creative entrepreneurs belong to the so-called creative class. These are people whose work is based on creativity, or "creating new, meaningful forms."\textsuperscript{7} In the case of Macro region of Central Poland, one of its five directions of development is the creative sector.

The aim of this article is to present the changes taking place in our country with regard to models of regional development. Essential for the development of regions - NTS1 and NUTS 2 - are the adopted in the program documents and implemented strategies of: smart specializations and creative businesses. The article provides an overview of selected theories regarding the understanding of regional development and its conditions. Examples


\textsuperscript{6} Strategia Rozwoju Województwa Łódzkiego 2020, Łódź, April 2013, p. 78.

\textsuperscript{7} S. Szultka, \textit{Klastry w sektorach kreatywnych – motory rozwoju miast i regionów}, Wyd. PARP, Warszawa 2012, p. 15.
cited in the article on the one hand illustrate the positive changes taking place in the area of innovation policy of the EU, on the other hand, point to the weaknesses of these activities.

2. REGIONAL SPECIALIZATIONS AND REGIONAL DEVELOPMENT CONCEPTS

Regional development must be analyzed for its ability to continuously generate and adapt new solutions, technologies and new knowledge. Today, in an economy based on knowledge, a model of innovative, entrepreneurial and creative activity, based on technical and technological progresses, is widely promoted. Knowledge is often a factor of greater rank than expenditures and condition of assets, determining the pace and level of economic development. According to S Korenik innovativeness is a process ensuring development, and should be treated as such.

The genesis of the concept of regional development goes back to the theory of location, whose precursor was J.H. von Thünen (1826). Theories of regional development are characterized by the process-and-research approach aimed at exploring the mechanisms of development on a regional scale and the identification of differences in this regard. They can be divided into two main groups, corresponding to alternative models of the economy. In practice, both models are inter-permeative. They are: the theories of the neo-liberal stream (neoclassical), the essence of which is to minimize government intervention, and the theories of New Keynesian stream, treating intervention as desirable and important regulatory mechanism optimizing regional development.

Regional development depends on various factors of the exogenous and endogenous nature. According to D. Strahl, external factors (exogenous), which define the region's ability to respond to changes, include among other things: own resources of the region, demographic resources, technical and technological resources, budget, foreign investments, infrastructure related to eco-development, environmental awareness of community, entrepreneurship, competitiveness of the region, spatial order and the marketing effectiveness of space. Whereas K. Secomski mentioned among the exogenous factors: economic, spatial, social, environmental, local, technical and technological, highlighting the factors that stimulate regional development directly and indirectly. Endogenous factors,
on which the region has no influence, even though it participates in these processes, include globalization of processes occurring in the country, and European integration. The literature emphasizes the need for complementarity of these concepts of local development. Also, it points to the need to preserve the cohesion between the “bottom-up” and the “top-down” interests. According to Z. Strzelecki, the identification of stimulants and barriers at the regional level is one of the most important actions to determine the scope and direction of supporting the development of entities in these areas. Into modern factors of regional development, he includes: science, new styles of management, computer science, and alongside the stimulants of regional development he correlates the difficulties and costs of socio-economic adaptation to new developmental directions.

The old paradigm for regional development policies in EU countries, consisting in overcoming differences in the level of development of regions, and in sectoral approach to the measures taken, is now being replaced with a new model - a policy territorially oriented (Place-based approach). The result of this approach is the creation in Europe of macro-regional strategies for the Baltic Sea region, the Danube region, the Adriatic-Ionian region and the Alps region. A key factor in the regional development policy (NUTS 2) becomes a process of building macro-regions on the basis of their potential (NTS1). Identifying common potentials and challenges as well as exchange of experience and cooperation have led to a competitive advantage. The territorial approach in the development policy is characterized by:

- the use of endogenous development potentials of the territory, together with the absorption of exogenous factors (knowledge from the "outside"),
- defining the territory also through the prism of its functional and not just administrative qualities,
- cooperation, dialogue and partnership as essential elements in the context of collecting and systematizing the knowledge and preferences of local entities,
- adapting interventions to the specific territorial contexts to the spatial relationships between them,
- an integrated and coordinated package of investments that takes into account the diversity of social, economic and territorial conditions of individual territories.

National document – "Strategie ponadregionalne – wymiar terytorialny polityki rozwoju", shows the evolution of "territorial" thinking, including macro-regional thinking in Europe, as well as the solutions for the introduction of this approach to the national cohesion policy by 2020. In Poland, four trans-regional strategies have been created so far, covering the scope of time up to 2020, i.e. strategies for socio-economic development for Eastern, Southern, Western and, recently, Central Poland (with the prospect up to 2030). This model of development of regions, as macro-regions, contributes in our country to

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sorting out of the development policy through the creation of a coherent hierarchy of basic programming documents shaping the Polish development policy along with specifying the procedures for their creation, implementation, monitoring and updating. Unfortunately, there is currently a lack of full order in the country in terms of the coherence of development planning instruments between levels: national and regional and county and municipal governments. This situation affects the relationship between the provincial and local levels, which may have a bearing on the objectives and directions of development adopted for macro-regional and regional strategies.

The Macro-region of Central Poland covers an area of two provinces: Lodz Voivodeship and Masovian Voivodeship, a total area constituting 17.2% of the country and with a population of approx. 7.8 million people, which represents approx. 20.3% of the Polish population. A bipolar system Warsaw–Lodz is of great significance to the macro-region. In its development strategy, the following priorities were adopted: innovation and creativity, accessibility and integration, reindustrialization and internationalization. Specialisations of the macro-region are the developed areas of cooperation, contributing to the strengthening of its competitiveness at the national and international levels. These include: science, research and development, creative sector, medicine and pharmaceuticals, agriculture and food processing as well as transport and logistics. The use of unique and complementary potentials of Lodz and Masovian voivodships is consistent with the principle of subsidiarity. The macro-region development strategy is based primarily on the potential of large cities: Lodz, Plock, Radom, Siedlce, Skierniewice and Warsaw. The participants of consultations of the strategy were mainly local governments (cities), universities, only one non-governmental organization and several dozen individuals. This shows that the macro-region strategy marginalizes creative potential of rural areas, despite the existence of the phenomenon of diffusion of potentials, which include creativity and innovation.

In Macro-region of Central Poland in 2012 in the field of research and development operated 849 units (31.1% of the country resources); internal expenditure on R & D per capita were nearly twice as high as in the country, and the share of these expenditures in GDP in the region accounted for 1.25% (0.89% in the country). This is an area with the highest concentration of science in the country in which the research units deal with modern technologies, including biotechnology, nanotechnology, ICT, photonics, mechatronics, radiopharmacy and space sciences. Unfortunately, the share of innovative industrial enterprises in the total number of industrial enterprises both in Masovian Voivodeship (15.3%) and the Lodz region (13.7%) was among the lowest in the country. In the macro-region there is a high concentration of universities (137), which accounted for 30% of the total number of universities in Poland. It is characterized by high intellectual capital of society; more than 21% of the population had higher education (2011). Students accounted for over 75% of the population in the macro-region aged 20 to 24 years (UE28 - 64.1%). Significant potential of Central Poland comes from a rich resource of "knowledge workers", who derive from all sectors of the economy and comply with certain character-

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istics defined by science, which include creativity and the ability to work outside existing structures.30

3. CREATIVE BUSINESS – GROWING SECTOR OF REGIONAL DEVELOPMENT

At the moment, there is no unified global, EU and national definition of creative businesses. Terms, such as "creative economy", "cultural industries", "creative industries" and "cultural and creative industries", function interchangeably in the literature alongside the various models describing the structure of entities of creative businesses. Unfortunately, this situation makes the measurement and assessment of the significance of creative businesses often vague and incomparable, when taking into account various sources. These analysis are still rare and do not fall within the scope of work of the institutions responsible for collecting statistical data and measurement of economic reality.

The definition of the creative sector adopted in the Strategy of Macro-region of Central Poland includes "actions that stem from individual creativity and talent and they have also the potential to create wealth and jobs." Industries considered as creative are: advertising, film and video, architecture, music, arts and crafts, performing arts, publishing, computer software, radio and television, design, fashion design, literature and visual arts.21 The increasing role of creative businesses in the years 2002 - 2008 is illustrated by an international report "Creative Economy Report 2010", according to which the creative industries include the production of goods and services provided by the cultural industries and those that depend on innovation, including many types of software research and development. The creative sector in Poland in 2005 and 2006 accounted for 2.7% of national GDP.23 The value of trade in goods produced by creative businesses in the case of Poland in 2002 amounted to $ 0.75 billion, and in 2008 almost doubled and amounted to $ 1.41 billion, which in both cases gave Poland 10th place.24 The employment in the creative sector in Poland in 2013 amounted to 3.41%.25

In 2012, the creative entities in the Central region accounted for 31.7% of all entities of the creative sector in Poland, which is associated with well-developed infrastructure facilities for creative businesses. According to the European Commission, in Central Poland in 2011 there functioned over 51 thousand creative sector entities in total. In this macro region, the professional structure of entities in the creative sector was composed of: advertising - 22.47%, computer software - 18.82%, the architecture - 10.40%, media (radio and television) - 10.05%, publishing - 9.29%, film and video - 6.55%, photography - 5.84%, fashion design and design - 5.07%; performing arts - 4.09%; literature and the

21 Ibidem, p.19.
23 Ibidem, p. 31.
visual arts - 3.29%, handicraft - 2.38% and musical activities -1.27% of all entities\textsuperscript{26}. The report of the Ministry of Economy shows that the activities of persons conducting creative businesses fulfil primarily economic function, which directly contributes to the local development. This publication highlights the barriers to the development of the creative sector, which include: unfavourable urbanization processes, poor quality of public space and the degradation of urban structures\textsuperscript{27}.

4. CREATIVE BUSINESS IN RURAL AREAS

Municipality of Puszcza Mariańska is the only municipality in Poland, a rural one as well, which has its own map of creative businesses, prepared in 2014 by Sylvia Mazgajkska. It distinguishes itself also by the fact that it is located in Masovian Voivodeship and belongs to Macro-region of Central Poland, where the participation of entities in the creative sector in the total number of REGON entities by NUTS 1 regions was over 30%\textsuperscript{28}. The municipality includes 39 villages and, like most of the neighbouring rural municipalities, is growing mainly due to agriculture, and industrial plants in Żyrardów and Skiernewiecz. It can be estimated that entrepreneurs running creative businesses represent in the municipality approx. 1.7% of the population of working age. At the end of 2014 in the village there were registered 463 companies (active and inactive), while the number of entities running the so-called creative businesses amounted to a total of 91 (19.7% of the entrepreneurs)\textsuperscript{29}, 80 entities were active, i.e. approx. 87.9% of creative entrepreneurs and approx. 17.3% of all entrepreneurs in the community. Taking into account the financial services, (i.e. environment supporting these businesses), in the municipality there were a total of 129 creative entities (27.9% of their total number). Two-thirds of these entities are located in 24 towns. Creative entrepreneurs are active in 12 types of activity, i.e. in: financial services - 52.7%, architecture - 26.4%, advertising - 17.8%, computer games (software) - 17.1%, music and performing arts - 10.1%, and the film, video and photography - 10.1%, art, art and antiques market - 8.5%, crafts - 8.5%, specialist design - 5.4%, fashion design and model manufacture - 1 6% of all entities of the creative sector. Most entrepreneurs run their businesses individually. Many of them are active in several categories of creative businesses. According to the author, in this municipality there was no significant activity of local authorities in strengthening the local economy, the development of contacts and cooperation with the environment, the promotion of the potential and creating the image of the municipality. The residents wanting to improve their quality of life showed initiative, set up businesses, or sought work outside their place of residence\textsuperscript{30}.

\textsuperscript{27} Analiza potrzeb i rozwoju przemysłów kreatywnych, Ministerstwo Gospodarki, Warszawa 2009.
\textsuperscript{28} Koncepcja Strategii Rozwoju Makroregionu Polski Centralnej 2030, Biuro Planowania Przestrzennego Województwa Łódzkiego, Mazowieckie Biuro Planowania Regionalnego, Łódź-Warszawa, September 2014, p. 27.
\textsuperscript{30} S. Mazgajkska, Dziedzictwo kulturowe i przyrodnicze oraz kreatywne biznesy jako podstawa rozwoju gminy Puszcza Mariánska, Praca inżynierska przygotowana pod kierunkiem dr inż. Elżbiety Strzeleckiej, Kolegium Gospodarki Przestrzennej Politechniki Łódzkiej, Łódź 2015, pp.69-70.
The question is whether a municipality with 27.9% creative entities can remain in the centre of attention of regional authorities, who declare that Masovian voivodeship in the next few years will become one of 50 creative regions in the EU (project Creative Masovia)? In the outdated already commune development strategy for the years 2002-2011 the vision of the municipality has been recorded as: "Entrepreneurial Municipality of Puszcza Mariańska - offering attractive conditions for residence, business development and recreation" With Warsaw to Europe "31. This highlights the functional, social and economic relationships of the municipality with the agglomeration of Warsaw. Unfortunately, this creative human capital was not included in the program for Macro-region of Central Poland.

Research and the development policy of the creative sector in the country should not only be focused on "creative cities" but also on "creative rural areas." In our country, there is still too little awareness of the potential of rural areas, as a "healthy" alternative to running creative businesses on a large scale and without complexes, as well as with the support of various levels of territorial authority, as is the case in Ireland. In this country the strong pillars of the development are both the creative sector and the knowledge service, but they are stimulated by, among others, promotional and informational activities, various national and EU funds and creating networks of cooperation32.

5. SUMMARY

The changes occurring now in Poland concern the model of regional development, based on synergistic and targeted development of macro-regions, which draws on the development potentials of regions included in their composition. The new model of development of regional policy, which is territorial orientation, is based on such important pillars like smart specializations of regions and creative sectors, as exemplified by, among others, Macro-region of Central Poland.

The described development is focused on the potential of cities, while the creative potential of rural areas is marginalized, despite the existence of the phenomenon of diffusion of potentials of creativity and innovativeness, as exemplified by the municipality of Puszcza Mariańska.

The development of regions and macro regions requires monitoring and correction of assumptions, in particular, in the face of still insufficient ordering of program documents and their impact on local policy.

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Smart specialisations of regions and creative businesses …


INTELIGENTNE SPECJALIZACJE I KREATYWNE BIZNESY W ROZWOJU REGIONALNYM

Celem artykułu jest zwrócenie uwagi na umacniającą się w kraju tendencję do wprowadzania ukierunkowanego i synergicznego rozwoju makroregionów poprzez efektywne wykorzystywanie wiodących potencjałów województw. Inteligentne specjalizacje i rozwój sektora kreatywnych biznesów są obecnie kluczowymi i integralnymi filarami rozwoju regionalnego w UE, co wynika ze strategii Europa 2020. Artykuł zawiera przegląd wybranych teorii dotyczących rozwoju regionalnego. Omówiono takie pojęcia jak: inteligentna specjalizacja, rozwój regionalny, kreatywne biznesy.

Rozwój Makroregionu Polski Centralnej ilustruje krajową i unijną tendencję do przemysłanego i celowego wyboru tych inteligentnych specjalizacji oraz potencjału kreatywnego sektora, które stanowią o jego konkurencyjności. Oparty jest on na potencjalach głównie dużych miast; potencjał terenów wiejskich jest pomijany. Gmina Puszcza Mariańska (woj. mazowieckie) jest przykładem gminy wiejskiej, w której ok.28% wszystkich podmiotów tworzy kreatywny sektor. Jako jedyna gmina w Polsce posiada własną mapę kreatywnych biznesów. Symbolicznie reprezentuje wiele innych gmin wiejskich, których własny potencjał kreatywny nie jest powszechnie znany i nie jest wspierany przez władze różnego szczebla, poprzez tworzenie właściwej infrastruktury, jak to ma miejsce np. w Irlandii (aktywność władz lokalnych, programy krajowe i międzynarodowe, właściwa promocja).

Przedstawiony materiał pokazuje, iż wsparcie rozwoju województw, tworzących dany makroregion, działaniami związanymi z innowacyjnym i kreatywnym rozwojem jest konieczne, wymaga jednak pogłębionego postrzegania jego potencjałów.

Słowa kluczowe: rozwój regionalny, inteligentne specjalizacje, kreatywne biznesy.

DOI: 10.7862/rz.2016.mmr.44