

## **The geographic and economic peripherality of borderland regions**

The literature concerning regional development policy, economic growth or transborder and Euroregional cooperation shows that borderland regions are defined as geographically and economically peripheral. However, the analysis of selected macroeconomic factors does not allow for a full confirmation of the stipulations found in literature. Therefore, it seems that it is not entirely correct to equate borderland regions with economic peripherality.

### **State borders and their influence on borderland regions**

While discussing the influence of geographic location on the level of development of borderland regions, it is crucial to point to the function and typology of state borders. In this context, it is extremely important to define a border as a spatial barrier of antecedent or subsequent nature. Antecedent borders are established before spatial development takes place. Subsequent borders, on the other hand, are of secondary nature. When a state border is becoming ingrained in the consciousness of a local community, it begins restricting its socioeconomic activity. This process, however, concerns mainly the areas tangent to subsequent borders which were established with no regard to spatial development and divided a previously cohesive area, necessitating the reconstruction of infrastructure to restore its efficiency. The division of communication and technical infrastructure in the Polish-German borderlands, resulting from the establishment of a border on the Oder and Lusatian Neisse after World War II, may serve as an example. This means that the influence of subsequent borders on the level of development may be present, but does not have to be long-term.

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On the other hand, it may be assumed that the level of socioeconomic development is not dependent on the location of the border, but on the function resulting from its formalization and penetrability. However, these functions may change. As a result, the influence of borders on the level of socioeconomic development is not constant as well, which may be exemplified by the change of the function of the Polish-German border after the accession of Poland to the European Union and the Schengen Area.

It is also worth mentioning that state borders determine the spatial range of economic activity as well. All goods and services are spatially restricted by the range of a market. This range is strictly determined on the basis of market networks created by state and economic borders. State borders, equated with customs borders, constitute a legal and administrative restriction of economic activity and the area of jurisdiction of a country over a specific territory. When political borders do not overlap with economic borders, the network of market areas becomes divided. As a result, some regions in certain areas may not be able to function without aid.

### **Geographic and economic peripherality**

The geographic locations of borderland regions are related to their accessibility and relations with other regions. In this context, it is important to draw attention to the EU index of communication accessibility. This index enables to establish the approximate time necessary to get from one region to another, taking into consideration its economic importance. A region with a communication accessibility index below 40% of the EU average is considered peripheral. The regions with a communication accessibility index over 150% of the EU average are considered central. This means that establishing the accessibility index of individual regions makes it possible to determine the characteristics of regional peripherality with regard to geographic location, the accessibility of the region and its relations with other regions.

The peripheral location of a region, resulting from its large distance from main areas of socioeconomic activity and low quality of communication infrastructure, may cause an increase in the costs of transport and a reduction in returns to scale for the local enterprises. This, in turn, is related to the increasing costs of service provision, limited influence of local authorities on the decisions of the central government and low participation of knowledge and the research and development sector in the economy of the region. It is also important to draw attention to the importance of the relatively low population density of geographically peripheral regions, the dominant role of traditional production factors and the low level of relations with other regions. As a result, a geographically peripheral region can use its



endogenic development potential to a lesser degree, which leads to the necessity of adapting exogenic production factors from other regions. This results in the drainage of production factors from the geographically peripheral region to a central region, which causes a decrease in the level of development and an increase in economic peripherality characteristics.

This is confirmed by the EU analysis of regions with regard to their accessibility factor and GDP. Central regions, as areas of high socioeconomic activity with well developed technical and communication infrastructure, cover 14% of the EU's area and generate almost 47% of its GDP. On the other hand, in borderland regions, inhabited by almost 40% of the EU's population (36% of which lives in areas along the internal borders of the EU), the GDP per capita in the years 2000-2006 was relatively higher than in the central regions and amounted to 1.1%. However, in 2007 the GDP per capita factor in these regions was equal to 89%, while in 2009 - 88.3% for the EU-27 (65% for the areas near external borders and 92% for the areas near internal borders). It is, therefore, possible to point to a relation between the quality and density of communication infrastructure and the high diversity of GDP within the European Union.

On the other hand, however, the changes taking place in the modern economy point to an increase in the importance of spatial factors, such as geographic location and communication accessibility. The technological development in communication and transport causes the tightening of space-time, making economic growth independent of geographic location. The world economy is currently dependent on the service sector and the creation of knowledge-based economy to a higher degree. Human capital, local economic relations between enterprises, the level of civic society development, the quality of regional institution network and the relations of a region with its surroundings play an important role in the formation of relations between the center and the peripheries. In this aspect, peripheral regions are characterized by underdeveloped infrastructure of information society, low skills of human capital, fragmented links of local economic networks, low level of civic society development, ineffective regional institutions and limited relations with the surroundings. As a consequence, economic growth is less dependent on spatial factors and the location of a region, together with its communication accessibility, have no direct influence on the formation of relations between the center and the peripheries.

Also the analysis of macroeconomic factors of the Polish-German borderland regions at the level of NUTS3, namely the GDP per capita, income of poviats, birth rate per 1000 people, migration balance, length of sewage and water supply system networks, unemployment rate and the number of registered unemployed, gross value of tangible assets, average gross remuneration, the number of enterprises registered in the REGON



register and household incomes, does not clearly indicate that the geographic peripherality of borderland regions constitutes a factor for economic peripherality.

What is more, some of them, such as the Police Poviats in the West Pomeranian Voivodeship or the Ślubice and Gorzów Poviats in the Lubusz Voivodeship, are characterized by a higher level of development than other poviats of the region. At the same time, certain areas located far from state borders, such as the German districts of Bad Doberan and Nordwestmecklenburg in Mecklenburg-Vorpommern, the Białogard and Sławno Poviats in the West Pomeranian Voivodeship or the Nowa Sól and Wschowa Poviats in the Lubusz Voivodeship, can be considered as regions of a low level of development.

## Summary

Regional level of development is a very complex notion, dependent on both endogenic and exogenic factors of economic growth. As a result, the notion of peripherality should be defined both through spatial factors, lying at the basis of geographic peripherality, and non-spatial factors. Therefore, it seems that it is not entirely correct to equate borderland regions with economic peripherality.

Economic growth at a regional level is mainly dependent on the utilization of economic growth factors within the region, not just its geographic location. In this context, it seems important to direct the regional development policy at the central and regional level towards maximizing the benefits from endogenic and exogenic factors of economic development, namely the expenditure on research and development as well as the transfer of knowledge from the science sector to the business sector, the level of knowledge in the economy of the region and the quality of human capital, the quality and density of communication infrastructure, the innovativeness of business entities, the influx of capital, transborder trade and location rent. Consequently, borderland regions, depending on the level of economic growth factor utilization, may constitute both centers of economic growth and peripheral areas.

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