

RETROSPECTIVE VIEW OF DEVELOPMENT PLANNING AT A LOCAL LEVEL SINCE 1989

Vladimíra Šilhánková

Michael Pondělíček

College of Regional Development Prague

ABSTRACT

The article deals with the strategic planning development in the Czech Republic since the social and political changes in 1989 up to the present day. This period is divided into five basic stages, differing not only in terms of time periods but particularly in view of the approach and methodology of the creation and implementation of these documents. The article proceeds in a methodical fashion from the onset of the strategic planning at the local level in the CR in the 1990s, to economic development planning, socio-economic planning and sustainable development planning at the turn of the century and finally to the planning influenced by the requirements of the EU programming periods after the CR joined the EU in 2004.

JEL: R58

KEYWORDS: *Planning, city development, strategic planning*

INTRODUCTION

In the current context of the Czech Republic, development planning of towns and villages saw its beginning after the social and political changes in 1989. In socialist Czechoslovakia the so-called central planning had been in force since 1945, where in accordance with Act. No. 41/1959 Coll., on State Planning Committee, this body used to prepare relatively detailed, usually five-year national economic plans, which were subsequently approved by the government. (ČSSR, 1959) Towns, villages, districts and regions did not have a legal personality and were conceived only as lower organisational units of the state, i.e. regional, district, municipal and local national committees and were absolutely subjected to the centralised national economic plans.

The objective of the article is to map out the progression of the approach to the development planning at the local level since 1989 up to the present day. The purpose of the article is therefore to create a basis for discussions about further directions of strategic planning at the local level including its theoretical and methodological support.

The article is based on case reports, where in the course of its preparation an analysis of about one hundred strategic plans of towns and villages produced from the onset of planning in the 1990s up to this day was performed. The analysis proceeded from the seminary theses of students from the study programme of Urban and Regional Development Management at the College of Regional Development. Subsequently, the acquired findings were synthesised and systemised.

1 STRATEGIC PLANNING AT THE LOCAL LEVEL AFTER 1989

In the early 1990s any planning at the level of our towns was considered as something undesirable, something which had already been “dead and buried”. Society was decentralized and many competences had been transferred to the local level – towns and villages had stopped being just a tool for the exercising of state power, they had regained their legal personality, their assets and the connected options to manage their own assets and generally to individually look after their economic, as well as spatial, social and cultural development.

A fundamental change in the statutes of towns and villages was brought about by Act No. 367/1990 Coll., on Municipalities (general establishment) (Czech National Council, 1990), which established towns and villages as municipalities and granted municipalities the right to “administer their affairs independently”. Within these powers municipalities were to ensure mainly the “economic, social and cultural development of their territorial district, as well as the protection and creation of a healthy environment and the satisfaction of the needs of citizens of their municipality” (Section 14). Local councils were granted the power to “approve the programme of development of their territorial district”. These legal regulations created the prerequisite for the

transition from towns and villages subjected to national economic planning to municipalities in the market environment.

1.1 Stage of "Ad-hoc Decisions"

The first stage to follow after 1989 and lasting approximately until the mid 1990s could be identified as the stage of "ad-hoc decisions". The characteristic feature of this period was the maximum possible abandonment of any and all long and medium-term plans. Strategic planning had not existed in our country at that time and moreover it had not yet been in demand. (Šilhánková, 2003)

1.2 Stage of Economic Development Planning

As time went by, it started to become apparent that the administration of large towns, in particular, applying the ad-hoc method was untenable on a long-term basis. Planning of large-volume investments or the necessity to develop a bigger area was in particular being hindered more and more by the non-existence of long term strategies. During this period, partially under the influence of information from abroad, partially due to the marketing activities of certain companies in our market, the development of strategic planning began to appear at the level of towns and villages. Strategic planning was perceived particularly as an economic development tool and was characterised as a "systematic method of how to organize changes and create a wide consensus within society along with a common vision for a better economic future." Strategic planning of economic development is characterised as a method "in which the towns will make use of their resources and powers to assume responsibility for their own economic future." (Berman, 1998)

The key priority of strategic plans was economic development with the objective of improving the local entrepreneurial environment and competitiveness of the town. Economic advancements were to give the town the potential to successfully adapt to economic changes by means of improving their own competitive position in crucial production factors such as human resources, information, technologies, capital and infrastructure. (Šilhánková, 2007)

The process of the economically oriented strategic planning consisted of several basic steps in which their creators focused on public-private partnership, environment analysis, identification of critical areas, preparation of the strategic plan and its subsequent evaluation and monitoring. The whole strategic planning process was usually the responsibility of an appointed team of people – the so-called Commission for Strategic Development. This group should not have comprised only of experts, but it should have been a team of people capable of adopting consensual decisions and then enforcing these decisions from a position of power. The purpose of the strategic planning of economic development was to reach a consensus and common visions and therefore it was important for those managing the process to be trustworthy leading representatives of municipalities capable of influencing their future. (Šilhánková, 2007) The Commission was to be presided over by a generally recognised representative of the private sector, for the reason of highlighting the perception of the existence of public-private partnership. This procedure was to clearly demonstrate to people that the strategic plan was not just a politically motivated project of the "town hall".

The above described method moved the whole process of strategic planning into the position of economic strategies. A consultant, who led the municipality via the strategic planning process, directed the Commission for Strategic Development through the in-advance clearly set corridor. At the same time minimum space was devoted to the opinions of the general public and the integration of these opinions in the final strategic plan. Strategic plans were short-term, usually for one term of office.

1.3 Stage of Socioeconomic Environment Planning

The period of the late 1990s initiated more complex outlooks on urban and rural planning. One may identify several causes. Partly, it was down to the not always very convincing results in the area of strategic planning in the previous period, and partly it is attributable to the increased influx of information about planning methods and standards abroad, especially the member states of the European Union. To a certain degree, the reason may lie also in a particular change of the climate throughout the whole of society, predominantly in relation to social and socioeconomic issues.

Strategic planning started adopting ideas of social geographers, who view strategic planning “as a set of gradual and utterly specific steps leading to the improvement of the socioeconomic environment within the whole of the area in question.” (Perlín, 2002) Therefore, a strategic plan construed in sociogeographic dimensions offered such solutions which:

- a) are well-known to everyone who are capable of influencing the environment in the territory, that is to say a mayor and council members, along with other active citizens;
- b) are known to other enterprising residents, representatives of individual businesses and other institutions located within the territory;
- c) all participants in the strategic planning agree with the proposed steps;
- d) all participants are willing to put the proposed steps into practise in the very near future;
- e) the area in question has financial and human resources at its disposal which may contribute to the solution. (Perlín, 2002).

In this way a strategic plan could be understood as an agreement of the further employment of current potential resources and the discovery of a common programme, which the municipality wishes to gradually implement in mutual cooperation. At the same time it was not that important as to which way the municipality would achieve the recommended steps or which method of strategic planning it would choose, much greater importance was vested in the common will to put forth the gradual steps that would lead to the improvement of the overall situation.

1.4 Stage of Sustainable Development Planning

Dynamic changes in the strategic planning can be traced back to the period of the onset of the new millennium. A number of towns moved away from the principle of strategic planning, as a plan of economic development, or possibly as a socioeconomic tool and leaned more towards a wider perception of these issues. There are many reasons for this occurrence; nevertheless all of them are directed more or less towards the same target – understanding “a strategic plan as a complex document of town and village development, which will be characterized by the linkage

of a balanced development of three crucial areas, namely: 1) economic stability, 2) social cohesion and 3) preservation and administration of natural resources and cultural heritage". (European Union, 1999/in Czech 2000) These principles comply with the targets of sustainable development, which primarily emerged as a response to the condition of the environment on the earth and started being applied particularly after the conference in Rio de Janeiro in 1992 by declaring the Agenda 21 programme. (UN, 2005) Chapter 28 of Agenda 21 is devoted to the application of sustainable development principles in local conditions. Local governments are emphasised here as authorities which have a great impact on global problems and which may influence the progress towards sustainable development not only at the local but also the global level. Local authorities are invited in this programme to develop a local Agenda 21, that is to say a strategic and action plan of community development, prepared in cooperation with the public and civil sector (non-public non-profit organisations, industrial associations), entrepreneurs and others. This plan should be based on the principles of sustainable development.

For the application at the local level, Agenda 21 was developed into the document titled Local Agenda 21, which in several chapters relating to the life of the local community elaborated models of specific conduct leading to sustainable development. (Cenia, not dated)

An adequate tool for the implementation of the targets of Agenda 21 and Local Agenda 21 was strategic planning, which mobilises and utilises, in the most efficient way possible, all own resources and adequately and promptly responds to changes in the surrounding environment. Ignorance of or aversion to strategic planning was considered to be a serious obstacle to the sustainable development of municipalities and regions. Influenced by the programmes, as well as other informational and educational campaigns, the attitude to the method of strategic plan processing changed, particularly highlighting the consistent application of the community method, that is to say with an emphasis placed on the involvement of the wider public in the planning process.

In view of the Czech Republic joining the European Union the possibilities of obtaining EU funding for development of our towns and villages were expanded, with the practice of town and country strategic planning also being adjusted. Using an example we can witness that "in view of the possibilities of obtaining finances from EU funds and other relevant funds, the projects of the Action Plan will be set up largely taking into account the given criteria for funding." (Statutory town of Hradec Králové, 2004) Therefore, the strategic planning reached the next stage, which is "planning subject to the requirements of the EU".

1.5 Stage of Planning Subject to the Requirements of the EU (until 2013)

Owing to the Czech Republic joining the EU, regional politics and regional development, encompassing also strategic planning at the level of towns and municipalities became significantly institutionalised and subsequently strategic planning moved from the position of a "development aid" to the level of a "tool for obtaining finances". Apart from traditional strategic plans, new tools began to be produced such as "Integrated Town Development Plans" (ITDP). The conditions for the preparation of these documents were coordinated by the Ministry of Regional Development, which characterized them as follows: "an integrated town development

plan is understood as set of material and time related events implemented in the demarcated area or within the topical approach in towns leading to the achievement of the common target or targets of the town, village or locality.” (Ministry of Regional Development, 2009)

The ITDP aimed at the coordination of activities and the concentration of resources for dealing with the most crucial identified problems within the territory of the towns. Integrated plans were implemented at two levels. The first represented the actual ITDP that set the strategy, targets and orientation of the plan including the identified sphere and number of sub-projects. The second level consisted of individual sub-projects of the relevant ITDP, which were submitted by the applicants chosen on the basis of a call by the governing authority and which simultaneously contributed to the achievement of the ITDP target as a whole. (Ministry of Regional Development, 2011)

The preparation of the ITDP was carried out with a rigid application of an expert method, where in essence the public was excluded, or more precisely was “pushed” into a passive role where they were merely informed about progress. The community method of the document preparation was no longer even declared, because the elaboration of the document was so complicated and subject to external (over time often changing) rules, that there was no longer any room left for the opinion of the public.

Subsequently, the towns saw an onset of documents similar to strategic plans, which more or less forcedly tried to find a connection between the existing targets and the targets “permitted” by the ITDP in a way as to maximise the possibility of acquiring funds for the given town. Unfortunately, one is compelled to mention that the ITDP system literally relegated the town strategic plans to a secondary status and concentrated all efforts on the achievement of the ITDP indicators and the receipt of all available finances without worrying about the real needs of the town in areas outside of the ITDP. Regrettably, towns will not be able to make use of the findings and lessons learnt from this development, as mentioned for example by Svátek (2012), because with the new programming period the situation fundamentally changed again.

CONCLUSION

Our excursion to the past has shown that the strategic planning at the level of towns and villages in the CR is undergoing continual development. In the 1990s the initial attempts were completed with theoretical support as well as model and sample cases of how to “plan correctly” and involve the community in the planning. A certain optimum status was achieved in this sense at the beginning of the new millennium. Unfortunately, the onset of centrally managed regional politics with the option of obtaining EU funding quite literally brought about the paralysis of development strategies at a local level. The towns began subordinating their strategic targets directly to the requirements made “from above” that is to say they gave up their own community conceived strategies and started adopting documents aimed at obtaining EU funding such as ITDT.

When taking a look at the strategic planning of town and villages, one has to say that the position of strategic planners as well as local politicians responsible for this area is unenviable. The right of the municipalities to ensure particularly “social and cultural development of their

territorial district, as well as the protection and creation of a healthy environment and the satisfaction of the needs of citizens of their municipality” (Česko, 2000) is being confronted with the need of acquiring finances for subsequent development and therefore also the need of meeting the conditions and requirements of institutes that provide these finances. In essence the strategic planning returned to its initial position where somebody with no links to local needs apparently knows what should be developed. Compared with centralised socialistic planning the towns and villages have been given partial powers to set their targets or more precisely “slightly adjust them” within the given rules and the right to turn down the whole subsidy system. However, no local politician can obviously do that. Purely theoretically one can conclude that the planning at the local level began to move round in circles.

ACKNOWLEDGEMENT

This paper was produced thanks to the financial support of the project – TAČR No. TD020323 – Regional, Municipal and Local Strategic Planning: Challenges, Problems, Possible Solutions.

REFERENCES

- [1] BERMAN, N. L. (1998). *Úspěšná česká města. Průvodce strategickým plánováním*. Praha: Berman Group.
- [2] CENIA. (nedatováno). *Databáze místní agendy 21*. Získáno 25. 10. 2015, z Místní agenda 21: <http://ma21.cenia.cz/>
- [3] ČESKÁ NÁRODNÍ RADA. (4. září 1990). Zákon č. 367/1990 Sb. o obcích (obecní zřízení).
- [4] ČSSR. (8. červenec 1959). Zákon č. 51/1959 Sb. o Státní plánovací komisi.
- [5] EVROPSKÁ UNIE. (1999 / česky 2000). *Evropské perspektivy územního rozvoje*. Praha: Ministerstvo pro místní rozvoj.
- [6] MINISTERSTVO PRO MÍSTNÍ ROZVOJ. (2009). *Metodický pokyn k Integrovanému plánu rozvoje města (IPRM)*. Získáno 26. 10. 2015, z Ministerstvo pro místní rozvoj: <http://www.mmr.cz/cs/Podpora-regionu-a-cestovni-ruch/Regionalni-politika/Koncepce-Strategie/Metodicky-pokyn-k-Integrovanemu-planu-rozvoje-mest>
- [7] MINISTERSTVO PRO MÍSTNÍ ROZVOJ. (červenec 2011). *Integrované plány rozvoje měst*. Získáno 26. 10. 2015, z Strukturální fondy: http://www.strukturalni-fondy.cz/getmedia/d278260c-b9d2-4863-9eff-80f08c81facd/MMZ_2011_07_IPRM_d278260c-b9d2-4863-9eff-80f08c81facd
- [8] OSN. (2005). *Agenda 21*. Získáno 26. 10. 2015, z Ministerstvo pro místní rozvoj: <http://www.mzp.cz/osv/edice.nsf/e26dd68a7c931e61c1256fbe0033a4ee/b56f757c1507c286c12570500034ba62?OpenDocument>
- [9] PERLÍN, R. (2002). *Strategický plán mikroregionu. Metodická příručka pro zájemce o strategické plánování ve venkovských mikroregionech a obcích*. Kolinec: AgAkcent.
- [10] STATUTÁRNÍ MĚSTO HRADEC KRÁLOVÉ. (2004). *Strategický plán rozvoje města Hradec Králové 2004 až 2020*. Získáno 26. 10. 2015, z Hradec Králové: <http://www.hradeckralove.org/file/368>
- [11] SVÁTEK, J. (2012). Rozvoj města Hradce Králové v kontextu principů (trvale) udržitelného rozvoje. *Regionální rozvoj mezi teorií a praxí*, stránky 20-24. Získáno 28. 10. 2015, z

http://www.regionalnirozvoj.eu/sites/regionalnirozvoj.eu/files/2012-conference_proceedings.pdf

- [12] ŠILHÁNKOVÁ, V. (červen 2003). Changes in Attitude our Cities to Development Strategies. Example from Hradec Králové / Možnosti přístupů místních samospráv k velkým investičním akcím na příkladu z Hradce Králové. *Sborník z mezinárodní konference European Integration and Regional Development, 5th Czech-Slovak-Polish Conference, 8.-12. 6. 2003* (str. 73). Prachatice: Univerzita Karlova, Přírodovědecká fakulta.
- [13] ŠILHÁNKOVÁ, V. (2007). *Teoretické přístupy k regionálnímu rozvoji*. Pardubice: Univerzita Pardubice.

CONTACT TO THE AUTHOR(S)

Vladimíra Šilhánková, doc. Ing. arch., Ph.D. a Michael Pondělíček, Mgr., Ph.D.

Vysoká škola regionálního rozvoje

Žalanského 68/54, 163 00 Praha 17 – Řepy, Česká republika

+420603554155, +420602268908

vladimira.silhankova@vsrr.cz, michael.pondelicek@vsrr.cz