

The pragmatic leadership in the local government in the face of depopulation. Examples from Polish shrinking cities.

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Abstract

The issue of depopulation is a major, long-term threat to the sustainability of local governments, especially for medium size cities in Europe. The research question concerns whether the issue of depopulation is recognised as a fundamental problem in these local governments, in the example of Polish cities, by their authorities and how local governments plan to address this problem. The results of the research were analysed from the perspective of institutional theory and agenda-setting theory.

This research was carried out as part of the "Leadership in Cities Affected by Defunctionalisation" project. We conducted a comprehensive review of the development strategies and other strategical documents in which we have identified actions with objectives to tackle depopulation and related challenges in these cities. A qualitative analysis of the strategies of selected cities was carried out - the group of 64 cities indicated in the literature as the most seriously threatened by the consequences of depopulation. Among those cities, we conducted 22 qualitative research interviews.

The surveyed entities lack proactive measures and mainly take reactive actions to address depopulation problems, which could be attributed to financial problems faced by local governments. Medium-sized cities with limited prospects for investment and development actions are delimited by the necessity of providing public services at current levels. The actions of local governments are influenced by their ability to obtain external funding, specifically from government programs and projects that receive co-financing from European funds. The perception of depopulation as being outside their sphere of influence is reinforced by limited resources and institutional constraints they face, making it challenging to take effective action on the problem. Therefore, the response to depopulation is often shaped by a combination of institutional constraints, resource availability, and the perception of the issue as being outside their sphere of influence. Lastly, the strategic management sphere should become essential for analysing how cities see and address depopulation problems.

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Points for Practitioners

As stated in the preamble of European Charter of Local Self-Government, local government is responsible for providing public services to citizens and "possessing a wide degree of autonomy concerning their responsibilities, the ways and means by which those responsibilities are exercised, and the resources required for their fulfilment". However, their autonomy is limited by their ability to perform tasks, including financing. As a result, local governments are forced to obtain external sources of financing (UN-Habitat, 2015; United Cities and Local Governments, 2011). Therefore, investment and pro-development activities are conditioned by the availability of external funds. This fact implies that when deciding the choice and course of action, local government authorities must consider the expectations of entities subsidising them.

The window of discourse (also known as the Overton window), a method for determining which ideas are considered acceptable at a particular moment, suggests that it is possible to change people's perceptions of topics that were once considered unacceptable and make them more acceptable. It implies that even intricate, long-term issues have their opportunities for progress. More than identifying a problem and its consequences through scientific agreement is required to encourage local action. Concerning the challenges local governments face - such as depopulation - this means that undertaking extensive actions is not only the responsibility of cities affected by this problem but also requires institutional support at the regional and state level. Local governments act pragmatically, having limited resources at their disposal. They take up those problems for the solution, which they can obtain external support. Therefore, activities around depopulation are limited due to the lack of such support.

Keywords

agenda-setting theory, depopulation, urban shrinkage, medium-sized cities, Poland

Introduction

Depopulation is an ongoing reduction in the population of a particular area, which can be attributed to two primary factors: the rate of generational replacement and the extent of migration. In the international academic discourse, the dwindling of urban populations is occasionally referred to as "shrinkage", which results from the interplay of one or more economical, spatial, demographic, and political factors within the local system (Matthias Bernt et al., 2012, p. 2; Müller, 2011; Reckien & Martinez-Fernandez, 2011). The factors' complexity and interactions make it difficult to predict the extent and pattern of depopulation. Therefore, it is critical to understand the underlying mechanisms and contributing factors to address the issue effectively.

The issue of depopulation is a major, long-term threat to the sustainability of local governments (Czibere et al., 2021; Lima et al., 2020). This problem affects municipalities all over Europe; thus, this problem is universal (Lutz & Gailey, 2020; Pociūtė-Sereikienė, 2021). This phenomenon is usually associated with rural depopulation – the migration of people from the countryside to the city in highly developed countries (Lara-Rubio et al., 2022; San Juan Mesonada & Sunyer Manteiga, 2020). The leading cause of this depopulation is primarily attributed to economic factors, particularly the income gap. This phenomenon, however, is not limited to rural areas but also affects cities (Lara-Rubio et al., 2022; Pociūtė-Sereikienė, 2021; Reckien & Martinez-Fernandez, 2011). One of the most well-known cases is the city of Detroit, which experienced a dramatic decline in population due to the collapse of its primary industry – car manufacturing (Adhya, 2017). A similar problem is being observed across various middle-sized cities in Europe today (Müller, 2011). Depopulation occurs as people who once lived there migrate to larger cities for better job opportunities. This trend echoes the situation in Detroit, which was once a thriving modern metropolis but experienced a significant population decline due to job losses. This is a notable illustration of depopulation in urban regions (Hollander, 2018).

Depopulation leads to a decrease in the overall number of residents and changes the population's age structure. Typically, younger working individuals tend to leave, while older individuals who have stable professions and established careers in the locality and those who are no longer employed tend to remain behind (Heim LaFrombois et al., 2019; Hollander, 2018; Reckien & Martinez-Fernandez, 2011; Śleszyński, 2016). As a result, these cities are confronted with new challenges that require a shift in their public agenda. Societies in depopulating cities have diverse needs and hence expect public services that are appropriate and distinct from those previously provided (Lara-Rubio et al., 2022). The out-migration of working-age residents leads to an increasing number of elderly individuals left alone, without the support and care typically provided by their families.

Consequently, there is a rising demand for social services that cater specifically to the needs of older citizens. The decline in the total number of citizens also results in a decline in city tax incomes and the growing per-individual cost of local public services (Lara-Rubio et al., 2022). Consequently, there is a pressing challenge to enhance local public services and improve the quality of life for the remaining citizens and sustain it at the current level. There are many propositions on how to solve the problem (Czibere et al., 2021; Heim LaFrombois et al., 2019, 2019; Kim et al., 2020; Lima et al., 2020; Mallach & American Assembly, 2010).

The depopulation and shrinking of cities interest many researchers (Czibere et al., 2021; Heim LaFrombois et al., 2019, 2019; Lima et al., 2020; Lutz & Gailey, 2020) who focus on explaining its mechanisms and analysing socio-economic and spatial conditions and consequences. The extensive literature on the subject is an extremely valuable compendium of knowledge on the processes of urban shrinkage – In their various forms conditioned by the origin of these processes and the types of actions of public authorities (local and central government), which are an expression of the desire to counteract them (Müller, 2011). In those publications, however, there needs to be more discussion on the impact of urban leadership on depopulation processes. Thus, an important and relevant scientific inquiry concerns how local authorities in medium-sized cities perceive depopulation and respond to the abovementioned issues. An answer to this inquiry could provide insights into the current situation and facilitate the development of more effective public policies in this domain.

Theory

1. Institutional theory perspective of cities adaptation

In developed countries, it is a natural trend for people to move from rural areas to cities due to better living conditions, more employment opportunities, and a more comprehensive range of cultural, entertainment, and public services provided by local governments – economic and social factors of depopulation (Lara-Rubio et al., 2022). Nevertheless, demographic changes such as a declining birth rate, fewer marriages, more divorces, increased life expectancy, and migration for even better living conditions have resulted in an ageing population and the depopulation of rural areas and smaller cities that were once economically attractive. The institutional theory may help better understand how local authorities perceive this problem and how the institutional environment affects those authorities' activities (Lang, 2011). From this perspective, the process of depopulation and change in the age structure of cities creates pressure for institutional change. Institutional theory suggests that local governments respond to these changes by adapting to new institutional pressures. This may involve changing policies and practices to reflect new economic and social realities, such as investing in new industries or developing new social services to meet the needs of an ageing population (Müller, 2011). However, institutional theory also suggests that organisations may be constrained by existing institutional norms and practices, which may make it difficult for them to adapt to new challenges such as depopulation. It is called institutional isomorphism in adapting to the pressure of organisations to become similar over time (Di Maggio & Powell, 1983). This process occurs because similar external pressures or institutional environments influence organisations, such as regulatory agencies, professional associations, and cultural norms. There are three types of institutional isomorphism: coercive, mimetic, and normative.

- Normative isomorphism occurs when organisations conform to professional standards or cultural values, such as new ideologies, ethical codes of conduct or social norms;
- Coercive isomorphism occurs when organisations conform to external expectations out of fear of punishment or retribution, such as legal sanctions or loss of funding;
- Mimetic isomorphism occurs when organisations imitate other organisations they perceive as successful, particularly in areas with uncertainty or ambiguity about achieving desired outcomes.

In the case of depopulating cities, all three adaptation paths may occur. Local authorities may recognise the problem and attempt to address it by adopting specific actions and assumptions taken by other thriving cities based on shared values and standards (normative isomorphism), such as a renaturation in east Germany cities (Müller, 2011). In addition, the fear of punishment or retribution due to the decline in population, loss of funding, and threat to the stability and sustainability of public services may push local governments to take action (coercive isomorphism). In the face of the threat of depopulation, there is often uncertainty or ambiguity about achieving desired outcomes, so it is natural to look for successful models to emulate. It can lead to situations where other cities are imitated in an attempt to replicate their success (mimetic isomorphism). In the case of the depopulation problem, cities authorities have to face a new problem, a problem that does not have a simple solution. However, in the case of Centre East Europe countries, such as Poland, one can look at the type of actions undertaken in West Europe because they faced this problem earlier.

2. *Agenda-setting theory in contexts of the local government*

Understanding the factors that shape the final form of local government agendas is crucial for comprehending their actions' logic, political dynamics, and constraints (Eraydin & Özatağan, 2021). These factors include the institutional and political contexts in which the local government operates and the incentives and disincentives that drive their decision-making processes (Zahariadis, 2016). Agenda-setting is a complex process that involves classifying items according to various categories, such as local versus state-level issues, ongoing versus long-term challenges, and infrastructure versus soft/immaterial results (Table 1).

Table 1. Categories of items on local government agendas.

Social/Citizen-oriented	Local	Ongoing, current matters	Infrastructural/Material
Economic/Business-oriented	Global/State level	Long-term threats	Soft/Immaterial

Source: Own study.

One significant factor that affects agenda-setting is institutional isomorphism, which leads local governments to imitate the strategies and actions of successful municipalities (Monios, 2017). This mimetic isomorphism often results in adopting normative isomorphism, as local governments conform to shared values and standards to address similar challenges. Coercive isomorphism may play a role, as local governments may fear negative consequences if they fail to address depopulation and other challenges.

Despite the categorisation of agenda items, local governments must also adhere to formal regulations and mandatory functions. As such, certain activities are obligatory and may not necessarily align with local government priorities or concerns (Eraydin & Özatağan, 2021). Furthermore, election cycles may prioritise short-term results and material outcomes rather than long-term threats or immaterial investments.

By understanding the institutional and political constraints that shape agenda-setting, policymakers and researchers can better comprehend how local governments create policies and address long-term challenges. This information can help improve the process of including such matters on the agenda and aid in developing practical solutions for complex, long-term challenges that threaten the existence of a municipality as a self-sustaining local government unit.

Research Methodology

The primary focus of our research is to ascertain whether local authorities in 64 medium-sized Polish cities identified as being severely impacted by depopulation in the literature (Śleszyński, 2016) recognise depopulation as a significant problem and to explore their strategies for addressing this issue. This question allowed the construction of three research hypotheses:

H1. Is it the case that leaders establish long-term objectives or, following the agenda-setting theory, are topics imposed upon them, and the local government, primarily focused on delivering services, implements long-term objectives (i.e., societal challenges) currently prevalent in the media?

H2. The local government prioritises executing immediate tasks, and strategic objectives are often limited to infrastructural investments that can be easily showcased as achievements to the electorate.

H3. Local government leaders view depopulation as a civilisational issue beyond their control and cannot be addressed at the local government level.

Śleszyński's research in 2016 examined the phenomenon of depopulation and its impact on municipalities, identifying 122 medium-sized Polish cities that experienced a loss of socio-economic functions. From this pool, 64 local governments were chosen for analysis as they were categorised as medium-sized cities that lost their functions. The strategic documents of these cities were then collected and analysed, including development strategies, revitalisation programs, reports on the condition of the commune, local development strategies, strategies for addressing social problems, and others like functional area strategies and local action plans. Over 200 documents were included in the study, including 62 development strategies, 59 revitalisation programs, 63 reports on the condition of the commune (for 2018 and 2019 - where they were already available at the time of collecting the material for analysis), 4 local development strategies, 8 strategies for solving social problems and 10 other documents of a strategic nature, such as the strategy for functional areas, local action plans and similar documents.

The document database was analysed for the following keywords: depopulation, demography, ageing, elderly, migration, and emigration. Then, tags were introduced for the following issues: demographic structure, migration balance, decrease/increase in population, depopulation, negative birth rate, aging population, dependency ratio, emigration, consequences of negative demographic phenomena, countermeasures, quality of life, deglomeration, budget. Relevant fragments have been marked with codes. Based on the identified and coded fragments, the content was analysed regarding whether and how the surveyed local governments identify issues related to depopulation.

Qualitative research involving twenty-two interviews was conducted in a subset of these cities. By synthesising the results of both types of research, we were able to provide answers to our research question.

The present study employed a qualitative research design, which involved the selection of 10 local governments from a group of 64 cities previously identified. The conclusions drawn from the strategic documents' analysis were considered to develop the interview protocol. Structured interviews were conducted with key officials, including the municipal executive body (mayor or president), secretaries of commune offices, and other high-ranking officials. In total, 22 interviews were conducted with these individuals. This data collection method aimed to obtain in-depth insights into the perceptions and experiences of local government leaders regarding the challenges of depopulation and the loss of socio-economic functions in medium-sized cities.

The results of the above studies were analysed from the perspective of institutional theory and agenda-setting theory. Both pieces of research combined allow us to answer the research question. MaxQDA software was used in the study.

Research findings

1. Analysis and conclusions of strategic documents in the field of recognising the problem of depopulation and counteracting it

Analysing strategic documents produced by local governments facilitates identifying planned activities, perceived challenges, and strategies to address them. Furthermore, this analytical approach enables the detection of potential similarities in problem perception, causation, and intervention methods. From an institutional standpoint, this analysis can provide insights into the organisation's developmental trajectory and its methods and operational strategies. Moreover, this analysis serves as a basis for designing a scenario of interviews aimed at verifying the findings resulting from document analysis, gaining a more comprehensive understanding of local government's decision-making processes, and attempting to comprehend the underlying rationale behind their agenda setting. An essential element of the analysis of cities' strategies is the assessment of their diagnostic part. Diagnosis shows what they know about themselves and what directions they plan to develop. Exciting and meaningful is how they explain certain phenomena - including depopulation - and how they define their position, ability to act, or lack thereof concerning these phenomena.

The role of municipal authorities in shaping the socio-economic landscape of cities is critical, particularly in addressing the issue of depopulation and the loss of city functions. An effective way to evaluate the activities of city authorities is through the analysis of strategic documents. The documents that allow for identification and understanding of the situation of local government units include a commune development strategy, a report on the state of the commune, and such documents as (if prepared): a municipal strategy for solving social problems, local revitalisation programme, local development programme.

These documents, which include the commune development strategy and the report on the state of the commune, among others, serve as essential management tools that provide a diagnosis of the situation, an assessment of threats, and an action plan. They serve as a basis for operational activities to improve the quality of life in the commune and solve social and economic problems. The analysis of these documents sheds light on how cities perceive and assess their situation, the challenges they face, and how they plan and act to ensure local development.

Depopulation received limited attention in the analysed documents, with "depopulation" only appearing in 26 documents and 19 examined units. The term "population decline" was used more frequently, occurring in 132 cases across 62 documents. Depopulation is not regarded as an independent or primary problem but as one of the various challenges within the broader scope of social issues. Many cities do not explicitly acknowledge depopulation in their plans; when mentioned, it is usually confined to the diagnostic stage. In some instances, the documents provide residual information about the causes of depopulation, but this is not widespread and has no bearing on the cities' policies. Exceptions to this trend include cities that address depopulation and make it the basis for their revitalisation strategies. The reasons for this situation should be sought in how city authorities perceive reality. Their activities mainly focus on the present, but they expect the situation to improve in the future - regardless of the available forecasts. The conclusions for the Polish cities studied here are similar to the findings

of other researchers. An analogous situation was found in the case of depopulating American cities - most predict future growth in the number of inhabitants, despite data indicating the opposite (Heim LaFrombois et al., 2019).

The analysed strategic documents of selected cities indicate that ageing is a noticeable phenomenon, although its consequences and challenges are perceived differently. In most cases, cities narrowly consider ageing as a problem that requires action in a senior policy, social care, and health care, with bounded consideration given to the broader economic context. The main concerns are social issues, such as exclusion or limited access to healthcare services. The phrase "elderly and disabled people" often appears in strategic documents regarding public infrastructure access. Some cities acknowledge that ageing affects their labour markets, but documents rarely refer to the impact on municipal finances or the ability to maintain local government services. Only a few cities offer broader views of demographic issues, and most conclude that these problems extend beyond the city limits to occur throughout the country with varying intensity. Recommendations primarily focus on attracting new residents and counteracting economic emigration. Unfortunately, post-working-age residents are often viewed negatively as a "problem" with a focus on illness and care costs.

The issue of emigration and negative migration balance is widely recognised in the analysed strategic documents, but it is viewed primarily as a social problem or a challenge for the labour market. The phenomena of young and educated people leaving the surveyed cities are perceived as a decline in the potential of the local labour market and a component of suburbanisation. However, neither emigration nor depopulation is recognised as a source of problems related to municipal finances or the increase in the number of older adults requiring care. These matters are not perceived as risks for the longevity of the cities in question.

The phenomenon of depopulation is not treated as a separate issue. However, it is combined with the phenomenon of the ageing of the population and the economic migration of young, educated people. Together they constitute something that can be described as the demographic problem of the local government. It is addressed on two levels as a bundle of goals and as directional, purposeful actions addressing component phenomena. At the same time, activities addressing the component phenomena focus on the migration of young people and the progressing gentrification.

In the opinion of current residents, activities for young people are mainly infrastructural activities related to the revitalisation of urban space and thus aimed at increasing the attractiveness of the housing estate and city district. Therefore, it is a form of prevention aimed at reducing the willingness to emigrate and promoting potential new residents. In addition, the need to attract investors - to create jobs - is indicated. In many cases, however, these measures' limited range of effectiveness, which is supposed to prevent emigration rather than stimulate immigration, is indicated.

Actions for the elderly are related to expanding the group of elderly citizens and recognising their needs. These are infrastructural activities to facilitate access to public services for the elderly and disabled. It is pretty telling that in most of the documents, there is a phrase "elderly and disabled people". Such an approach is a harmful stereotype but has some justification and important, socially valuable consequences. Among the elderly, two social welfare systems are essential from the perspective of the commune level: single people (running one-person households) and sick people requiring care (day support). In Polish conditions, where seniors' homes are not a popular solution, they evoke rather negative cultural associations, and the percentage of lonely seniors is high.

Therefore, these issues are important from the perspective of the offer of public services provided by the city, including social services and the creation of infrastructure adequate to the needs of the elderly. Depopulation is therefore treated as an effect rather than a process and is usually not the object of deliberate direct action.

It is interesting, however, that depopulation is not the subject of a broader analysis due to its negative consequences. It is interesting, however, that depopulation is not the subject of a broader analysis due to its negative consequences. Cites shrinking sources of own income - particularly PIT (personal income tax), taxes, and fees incurred by residents related to infrastructure and public services- are prominent examples. In the case of these services, part of the cost is broken down among the population, and the fewer the population, the higher the unit cost. The result may be sum as depopulation means less money in the budget and more expensive public services.

In the case of the surveyed centres, their depopulation, which are cities particularly strongly affected by this phenomenon, is associated not only with the nationwide demographic trend. It is also a result of economic changes. These are usually cities where one branch of industry is dominant and sometimes one large manufacturing plant. The liquidation of which resulted in stagnation in development and the process of outflow of inhabitants. These are also cities located relatively far from other larger centres - far away in the context of daily commuting to and from work. In their case, the process of ageing in society overlaps particularly strongly with the phenomenon of the outflow of young people - mainly for work - to larger urban centres. However, there are also those cities where the outflow of the population is strongly related to the phenomenon of the city spreading over neighbouring communes. Due to housing prices, residents are moving to neighbouring municipalities while still working in the city. However, regardless of the reasons for which the depopulation processes are influential in these cities, the consequences are similar: shortages of people willing to take up work on the local market, which limits the development of entrepreneurship, a decrease in revenues to the city budget, rising costs of services, new needs for services for the growing group of lonely seniors, necessary investments aimed at the needs of an ageing society. In terms of services, i.e. public tasks provided by cities, these are both social services, such as social assistance, as well as the increasing costs of education - the costs of maintaining nurseries, kindergartens and schools are spread over a smaller and smaller group of children.

2. Analysis and conclusions from interviews conducted in the cities in self-governments

The subjectivity of all local government units, including medium-sized cities, is conditioned by the share of own funds in the budget of a given unit. Own funds determine the possibility of implementing investments and shaping an independent development policy. The larger the city with a diversified mix of industries and developed tourism, the greater the freedom of action related to own income. In the case of most medium-sized cities, the situation is much worse, which means that these centres are strongly dependent on the possibility of obtaining external funds. Thus, such an approach to creating a strategy expresses a pragmatic approach resulting from necessity.

An essential element emphasised in the interviews, both by the mayors themselves and city presidents, as well as the secretaries of the office and the treasurers, was the focus on obtaining external funds for investment purposes, both hard infrastructural and soft social. It can even be considered that the absorption of external funds is one of the critical areas of activity in these local governments. It has been dictated by the will to develop, but also by a response to financial problems – the limitation of own funds at the disposal of cities and, consequently, an actual

decrease in personal tax revenues. Therefore, it manifests pragmatism of action - maximising exposure to potential external support. It is clearly visible both in the structure of strategic documents - very general, directional goals, direct references in the documents to European and national programs, and in the statements of the respondents.

2.1 The process of creating strategic documents and their role

According to the statements of the surveyed local government officials, strategies are created in such a way as to enable applying for external funds for both soft and social activities as well as infrastructural projects. As project providers whose initiatives must be taken into account when creating the strategy, national funds under the activities of individual ministries, state projects, and projects and programs of the European Union or the Norwegian Funds are indicated. Some of the interviewees emphasised that it is essential for the strategy to be flexible and scripted. A significant problem from the perspective of the surveyed entities is the unpredictability and volatility of the environment, including in terms of their sources of financing. Therefore, the strategic documents created are designed generally to allow for a more flexible, creative approach to their implementation. The strategies are to enable and facilitate the process of obtaining external funds. At the same time, the basic assumption was emphasised: the implementation of the goals indicated by external entities - project promoters, must be in line with the general idea of the city's development and be consistent with the expectations and articulated needs of the residents.

It is interesting that although the respondents declared, which is a formal requirement, consultations in the preparation of the strategy, in some cases, they declared that they consulted their strategies with neighbouring local governments or with other similar local governments. As the reason, they pointed to the differences between the city's specificity and the neighbouring communes. This observation is interesting because it suggests a limited range of mimetic isomorphism. Cities do not compete directly with each other, and despite noticing such problems as the migration of inhabitants, the phenomenon of competition between units is not directly addressed. It should be emphasised, however, that the strategy development process is dominated by a model in which cities cooperate or even outsource the preparation of the strategy to external experts. Probably for this reason, so many strategies are formally and in terms of proposed solutions that are similar to each other.

Regarding the participation of local actors in decision-making processes, it should be emphasised that the interviewees drew attention to the growing group of seniors. In Poland, older people are usually more active in elections, while a much lower voter turnout characterises young people (under 30). Moreover, the share of young people in the adult population in Poland is systematically decreasing - 17.48% in 2015 compared to 14.27% in 2019 (Kądziela, 2019). Therefore, in a rapidly ageing society, the bargaining power of the collective actor, i.e. seniors, is much stronger than in the case of a group of young people. Therefore, cities' policy is naturally biased towards the elderly and their needs/demands.

2.2 The problem of emigration and population loss

As for the emigration of residents, the dominant ones are the lack of availability of flats and the soaring prices of flats on the market (in Poland, the ownership model is dominant, renting is treated instead as something temporary

before buying your flat), limited demand on the labour market and more financially attractive jobs in other larger urban centres. Another reason for migration is going to study and the lack of sufficient incentives to encourage residents to return to their hometown after graduation, which is related to the abovementioned problems. The issue of leaving for educational purposes and the lack of desire to return after obtaining an education was repeated many times in interviews. The reason indicated was the more excellent attractiveness of jobs for educated people in large urban centres where young people go to study. Moreover, improved road infrastructure and some progress in public transport accessibility have made migrating easier for better living and working conditions. In the opinion of the authorities of many cities, their actions aimed at counteracting the phenomenon of migration of young people are both limited and of limited effectiveness. In their opinion, this is part of a broader process at the state level and without state action, their role is mainly to minimise losses.

2.3 The problems of local labour markets

The problem of the attractiveness of the local labour market - here, the authorities of medium-sized cities are quite unanimous as to the limited possibilities of attracting investors. A key factor here is the geography and location of a given city on the map concerning other urban centres, including industrial ones, and the available road and rail infrastructure. The examined cities are centres in a particularly inconvenient situation, a fundamental reason for this situation is their location. They are cities off the beaten track or far enough from large urban centres that everyday travel between these cities is burdensome and economically unprofitable. This means that with the number of births falling, the process of losing the population of these cities is an inevitable phenomenon in the current situation. Thus, these cities should create development scenarios assuming that the number of inhabitants will decrease and the needs of the local community will change along with the change in social structure. Meanwhile, in the case of most of the researched centres, nothing of the kind was found.

We can risk a statement that these cities are facing a kind of rescaling, loss of position and size, but not collapse, provided that they are able to prepare and adapt to new conditions, in which services, including technical and infrastructural services, are provided to a much smaller group of residents.

2.4 The problem of lack of financial independence

Some interviewees notice the decrease in revenues from shares in personal taxes (smaller funds in the form of shares in personal income tax) as a consequence of economic migration. However, this observation does not lead to any ideas or actions. This phenomenon is treated as an external circumstance. What is more, this phenomenon is strongly related to the way in which this tax is constructed – it partly supplies the budget of the commune where the citizen settles his taxes. The loss of income is due to more than just the fact that some residents have moved to another city. Due to the growing costs of purchasing and renting a flat, some people working in the examined cities decide to live in communes adjacent to the cities and pay due public taxes there. It is a problem that local government officials are well aware of, but their ability to act in this regard is very limited. As a result, there is a real need for changes at the level of the method of financing local government units and analysis in the field of

metropolitan areas, understood as areas extending beyond the current administrative boundaries of the city and from which residents use the services provided by the city.

It is crucial that the causal relationship between the outflow of residents and the quality and scope of public services is not noticed in most of the analysed cases. The shrinking of the city and the increase in the cost of services is not perceived as the main problem. It should be emphasised, however, that in some of the interviews, this problem was mentioned. The technical infrastructure of cities at the time of their creation is usually planned based on the assumption of a growing city population. Thus, in the situation of depopulation, the individual costs of operating and depreciating this infrastructure increase, burdening other residents. At least in some of the surveyed cases, representatives of the municipal authorities were aware of the above problem. However, they treated it as a premise for discussion with the state authorities on changes in the method of financing local government units rather than a problem they could address locally.

2.5 Preventing depopulation at the city level

The surveyed local government officials mostly agree that the possibilities of counteracting depopulation at the local government level are greatly bounded, and the effects of these actions are doubtful. Depopulation is perceived as a phenomenon of a civilisational nature, related to the change of norms, aspirations and social customs as well as economic changes. Therefore, it is an exogenous process concerning local governments. The nationwide nature of the problem of depopulation and the need to take action at the state level was emphasised many times in the interviews. There is a widespread belief in the deterministic importance of geography, i.e. the location of a given city, which determines its prospects and possibilities. The actions that are implemented are mainly aimed at retaining the current residents by improving the living conditions in the city. Some centres focus on implementing their primary tasks and raising funds to implement necessary investments. In their case, the phenomenon of depopulation is perceived as an inevitable condition of their actions and not a problem that lies within their ability to act.

The following statement by the mayor of one of the surveyed cities is very eloquent and quite commonly shared by the surveyed views on the problem of depopulation: "Ultimately, it may mean lower tax revenues for the city and the inability to maintain the already built and existing infrastructure and to take care of this new infrastructure on an ongoing basis. Furthermore, this is a real threat, plus a reduction in the number of people using this infrastructure. So, it is a real problem and a vision that will probably await us in several decades, but I, at least today, do not see any real tools at home to counteract this kind of problem."

Interestingly, in many cities' depopulation, although perceived – the statistics show a general decrease in the number of inhabitants, which for the surveyed entities is higher than the national average – is treated as a problem for the future, not a present one. One of the interviewees described depopulation as a problem that "has such a rolling character". It is a small but systematic loss of inhabitants every year. This example shows well that the depopulation problem is beyond the analysed cities' agenda.

Recognition of depopulation as a problem at the national level, a challenge that should be addressed at the state level through various public policies that increase the fertility rate or related to the state's migration policy, shows

the attitude of city authorities toward this problem. They expect the issue to be put on the agenda at the state level. Cities will adapt to the situation by applying solutions proposed by the state.

Conclusion

In the surveyed entities, in the light of the interviews, reactive actions – taken in response to the existing problem – prevail, not proactive ones – aimed at shaping the reality. In their opinion, the reasons for this situation should be associated with the financial problems these local governments face. It is, therefore, a pragmatic procedure conditioned by external factors and institutional activity frameworks. However, this leads to the risk of a dangerous feedback loop – the outflow of residents increases the prices of public services and decreases their quality, which in turn drives further outflow of residents, which again leads to a reduction in the possibility of financing public tasks and the need to increase their prices. The possibilities of action of the city authorities are deeply restricted here. Maintaining services at the current level and similar prices, with a decrease in the number of inhabitants, means the need for a different distribution of funds within the shrinking budget. Thus, there is a lack of funds for development, so the only way out is to finance pro-development activities from external funds. Thus, it is a rational and pragmatic action to focus on the possibility of obtaining these funds – maximising the absorption capacity of the city. In this perspective, development is a consequence of external plans adapted post factum to the particular interests of local authorities. This pragmatism is, therefore, an expression of a rational assessment of one's own possibilities of action. It is also the primary way in which cities make efforts related to development against the adversities they must face, which in their opinion, are external to them and not addressable at their level. In the opinion of the respondents, depopulation is an exogenous process. It is a fact to which they must adapt. It is not their task to address the problem on their own, but rather to adapt to the situation and deal with the negative consequences of the occurring nationwide phenomena.

With regard to the first hypothesis, the conducted research allowed the formulation of the following observations. In the context of Poland, the level of autonomy of cities is contingent upon the composition of their budgetary structures. Cities with stable, substantial streams of self-generated income, including revenue from tourism, industry, and high-paying employment, are afforded greater latitude in action. However, medium-sized cities that are heavily impacted by the issue of depopulation and which were examined as part of this study are not classified in this category of cities. These cities possess limited prospects for investment and development, and their actions are delimited by the necessity of fulfilling fundamental duties, namely, providing public services at their current levels. Even if officials in these cities are cognizant of the issue of depopulation, they frequently perceive it as an externally controllable matter situated beyond the local government's jurisdiction.

The actions of local governments are influenced by their ability to obtain external funding, specifically from government programs and projects that receive co-financing from European funds. Consequently, the objectives they set and the measures they take are a product of negotiations between their aspirations and the requirements imposed by project promoters. In other words, local governments have to balance their priorities and goals with the guidelines and regulations set by external entities, which can influence the decision-making process and limit

the extent of their autonomy. These compromises reflect the institutional and structural constraints that local governments face, as well as the opportunities and challenges that arise from their involvement in external funding schemes.

In the case of local governments facing the issue of depopulation, their agenda is shaped more by what they perceive as achievable and controllable at their level rather than by public opinion or media pressure. The phenomenon of depopulation is often seen as an external factor, beyond the competencies and capabilities of local governments, and as a result, it is not a priority item on their action agenda. The perception of the issue as being outside their sphere of influence is reinforced by the limited resources and institutional constraints they face, making it challenging to take effective action on the problem. This can lead to a situation where the actions taken by local governments are determined more by the availability of external funds and the requirements of project promoters rather than by a proactive response to the challenge of depopulation. Thus, the response to depopulation at the local level is often shaped by a combination of institutional constraints, resource availability, and the perception of the issue as being outside their sphere of influence.

Drawing on the findings of the accomplished research, the second hypothesis, about the prioritisation of immediate tasks by local governments in medium-sized cities, is supported. It can be attributed to institutional constraints and obligations, whereby local government authorities perceive their primary role as providers of essential services, as stipulated in the Polish Act on Municipal Self-Government. While long-term strategic goals are recognised and established, local authorities tend to adopt a pragmatic approach in selecting and implementing them. The primary factor influencing this decision-making process is the perception of the electorate. As a result, infrastructure investments are highly valued as they are easily demonstrated, anticipated, and appreciated by the public.

Both conducted interviews and analyses of strategic documents of the Polish cities vulnerable to depopulation suggest that the phenomena of depopulation for most of the analysed cases are a civilisational issue that is beyond their control, that requires actions on a national level and cannot be addressed at the local government level alone. Thus, the third of the adopted research hypotheses should be considered positively verified.

It is essential to emphasise the significance of strategic management in analysing urban depopulation processes. Therefore, the sphere of strategic management should become an essential aspect of analysing how cities see and address such problems. Strategic documents adopted by city authorities, including revitalisation programs and local development strategies, should be carefully examined in terms of how cities intend to counteract and deal with the phenomenon of depopulation. The analysis of this type of document, combined with conducted interviews in the context of Polish cities vulnerable to depopulation, reveals a fragmentary approach, with depopulation being superficially addressed and downplaying or counteracting strategies dominating. Depopulation is treated superficially, and there are no coherent, comprehensive concepts for counteracting this phenomenon. However, where this problem is noticed, the approach of local authorities is characterised by the pragmatism of action, manifested in focusing on the absorption of external funds. However, the goal is not to directly counteract depopulation - the phenomenon is perceived as not directly addressed, but to cushion its effects and slow down the process itself. This observation highlights the need for further research to assess the effectiveness of strategic management in combating depopulation and its benefits in different circumstances.

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