

The Review of European Affairs

Volume (4) Issue (2) 2020

Polish European Community Studies Association (PECSA)
Warsaw 2020

The publication of “The Review of European Affairs” was prepared in cooperation with the Konrad Adenauer Foundation in Poland. The publication reflects only the views of the Authors and cannot be understood as the official position of the Konrad Adenauer Foundation in Poland.

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ISSN 2544-6703

Publisher

Polskie Stowarzyszenie Badań Wspólnoty Europejskiej
ul. Armii Krajowej 119/121, 81-824 Sopot, <http://pecsa.edu.pl/>

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Typeset, printing and distribution

ELIPSA Dom Wydawniczy
ul. Inflancka 15/198, 00-189 Warszawa, <http://elipsa.pl/>

Spis treści/Contents

Katarzyna Górkak-Sosnowska	
The COVID-19 Pandemic in the Middle East and North Africa.	
Old Demons in a New Bottle	5
Eva Kovářová	
Territorial and Sectoral Distribution of the ODA Gross Disbursements Channelled	
Using Civil Society Organizations: Czechia Compared	
with Other Central European Countries	19
Christian Schweiger	
Perspectives for German-Polish Relations in the EU-27	37
Zafer Ayvaz	
Immigration and Integration: Examining Fethullah Gulen's Philosophy	
of Integration	51
Alexandr Macuhin	
Overall Trends in the Migration Processes in the Republic of Moldova:	
the Mills of the God Grinding Slowly?	67
Yuliya Hoika, Karolina Koviazina	
The Birth and Development of the Polish Integration Policy	79
Ewa Ogłozińska, Diana Kral-Grabka, Krzysztof Podgórski	
Scenariusze rozwoju współpracy pomiędzy bankami i przedsiębiorstwami	
typu fintech w oparciu o rodzaj oferowanych usług	95
About the Autors	111

KATARZYNA GÓRAK-SOSNOWSKA*

The COVID-19 Pandemic in the Middle East and North Africa. Old Demons in a New Bottle

Abstract

The paper presents the strategies of Middle East and North African countries in coping with COVID-19 pandemic in the first months of spring/summer 2020. It offers a categorisation of strategies basing on the available assets the countries have and political situation. According to this categorisation there are countries in which the pandemic is one more burden to bear that makes the current political or economic situation even worse (countries torn by war or serious internal social conflicts); countries that cope with the pandemic as good as it gets – taking their institutional capacities (Egypt and Morocco); the too rich to fail category of GCC countries, and two possible success stories (by that time Jordan and Tunisia).

Key words: Middle East and North Africa, COVID-19, pandemic.

JEL Classification: Z00.

Introduction

It is not hard to guess that *djinns* rather than demons inhabit bottles, according to one of the tales of the *One Thousand and One Nights*. However, while *djinns* are not inherently good or bad, the demons are known to be evil, and thus they better

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reflect the consequences of managing the COVID-19 pandemic in the Arab countries of the Middle East and North Africa (MENA). The global pandemic has challenged the whole world twofold. On one hand, it had exposed all the social, economic and political ills of the countries exposed to the virus. Whichever miseries had been afflicting the peoples of MENA countries, one can be certain that the pandemic will only deepen them. On the other hand, it has provided an opportunity for some governments to prove their capabilities in responding to this disaster and improve their ratings nationally or internationally.

This paper aims to present an overview of the existing challenges and response strategies of Arab MENA countries to the global COVID-19 pandemic in the beginning of spring/summer of 2020. Despite that fact that the pandemic has been affecting the region for several months, so a relatively short period of time, it is possible to determine different types of reactions to this crisis. One core characteristic of the region makes these estimations possible, namely a relative resistance to change and a fixed set of resources that each country has. This relative resistance to change has been visible since the unprecedented wave of dynamic and wide-ranging socio-political movements which are known as the Arab Spring. Despite high hopes for a meaningful political change, it has only brought a turmoil to the affected countries and/or has strengthened the authoritarian rule (with Tunisia being the sole and troublesome exception). Therefore, it is doubtful whether the region will soon be able to produce any other political movement of a similar scope and impact, especially as all the efforts seem to have been in vain. In other words, regardless of the copying strategy adapted in MENA countries due to the pandemic, most likely none of the governments will be challenged by their societies.

Can Authoritarian Rule Pay Off?

One of the most prevalent questions that have arisen with the pandemic is when (and whether) it will end. One of the issues that have been discussed widely is whether democratic or authoritarian regimes handle pandemics better. While some Western authors turn to the democratic model, even if it has provided mixed results (Kleinfeld 2020), it seems that some authoritarian regimes can also achieve their goals. This is not a universal rule, as the available data does not offer a promising correlation between the nature of governments and the impact of COVID-19 (Jaishankar 2020). Still, it seems that other factors than political system influence the way governments

can handle the pandemics. Rachel Kleinfeld identified three such factors: lessons learnt from previous pandemic experience (especially SARS), legitimate political system and capabilities to respond (Kleinfeld 2020). While no MENA country has been seriously affected by SARS in the past, the two other factors can explain, in great detail, how MENA countries reacted to the pandemic and why their response was often efficient.

By the end of June, the MENA region has been affected with the global COVID-19 pandemic in different ways and manners, as the table below presents.

Table 1: Total cases and recent cases in MENA countries as of 30.06.2020

	Population (thousands)	Total cases	Recent new a day
Algeria	43.851	12.445	151
Bahrain	1.701	24.081	521
Egypt	102.334	61.129	1.527
Iraq	40.222	39.139	1.917
Jordan	10.200	1.086	12
Kuwait	4.270	42.788	673
Lebanon	6.825	1.661	23
Libya	6.871	?	?
Morocco	36.910	11.338	323
Oman	5.101	34.902	1.154
Qatar	2.881	91.838	1.056
Saudi Arabia	34.813	170.639	3.521
Syria	17.500	?	?
Tunisia	11.818	1.162	4
UAE	9.890	46.554	401
Yemen	29.825	?	?

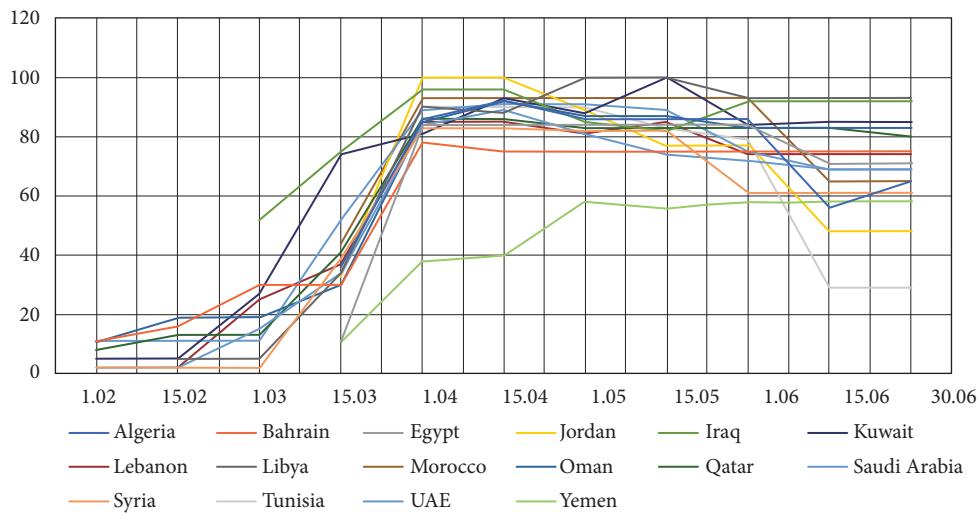
Source: Countries beating Covid-19, EndCoronavirus.org, <https://www.endcoronavirus.org/countries>.

Most of the COVID-19 cases are in the oil rich GCC countries, with Saudi Arabia having the highest number of infected, followed by Qatar. Egypt, the most populous Arab country, occupies the third position, but the number of cases is only one third of the number in Saudi Arabia. Comparing to the size of local population, Bahrain, Kuwait and Oman also score high in total number of cases. Small and poorer Arab countries – Jordan, Lebanon and Tunisia – have less than 2 thousand total cases, and the spread of the virus seems to be limited.

Regardless of capabilities to manage the coronavirus crisis most of the countries adapted a strict policy response aimed at minimizing the spread of the virus, as illustrated on the Figure 1 below. The measurement applied here is the stringency

level, which reflects the level of how strict the measures imposed by the countries were. The graph aims to present a general trend in the region, with a few exceptions of countries that applied less strict measures or applied them later.

Figure 1: Calculated stringency level (0–100) of MENA governments from 1.02.2019 to 30.06.2019



Source: Own elaboration based on data from <https://covidtracker.bsg.ox.ac.uk/stringency-scatter>.

At some point three countries (Jordan, Kuwait and Libya) adopted the most strict set of policies to limit the spread of the virus, consisting of: containment and closure (school closing, workplace closing (except for essential), cancelling public events, restrictions on gatherings, closing public transport, stay at home requirements, restrictions on internal movement, border closure) and health systems (public information campaign) (Hale, Angrist, Patherick, Phillips, Webster 2020, 5). The other countries were close to follow. The only exception was Yemen, which has been torn by the ongoing civil war. Interestingly only two countries – Tunisia and Jordan – significantly limited the stringency level around mid-June. Other Arab MENA countries have limited it only slightly or maintained it on a high level. Taking into account the uneasy global situation with the second wave of pandemic to be expected around the autumn of 2020, maintaining high stringency can be understandable. At the same time, as the vast majority of MENA countries fit the definition of authoritarian regimes (of various types and flavours), one can suspect that once adapted, some measures might not be easy to remove.

Despite cultural similarities, there are many differences within the region. While the reaction of most countries to the pandemic was similar, it differed in the two aspects named above – legitimization of the governments to manage the pandemic, and capabilities to produce a reasonable crisis response. Below one can find a typology of MENA countries in regard to these two dimensions. It starts with a set of countries that enjoy no legitimacy from their citizens, as they belong to the so-called fragile states, and thus have no capabilities to react. The second category has limited capabilities to react and very limited legitimacy for its policy response. Thus, there is a potential for social protests. The third category consists of countries that have limited capacities and somewhat stronger legitimacy for implementing their policies. The next one has it all – huge capabilities and, mostly, strong legitimacy. The last category comprises countries that have limited capabilities, but strong legitimacy, which has made them a success story for the whole region.

One More Burden to Bear: Libya, Syria and Yemen

Taking into account the civil wars that have been choking Libya, Syria and Yemen in the last years, Covid-19 ranks relatively low on the local lists of natural and humanitarian disasters. The societies have been drained by local wars, while their countries – destroyed. In other words, there are neither capacities to react to the pandemic, nor legitimacy of the governments, as they are fighting for their cause with rival governments, militias or foreign stakeholders.

The war in Yemen, conducted by Houthi rebels against the government supported by Saudi-led coalition had cost the lives of more than 112 thousand people, including over 12 thousand civilians who died in targeted attacks (*Aced Resources: War in Yemen 2020*). Soon the ongoing conflict that serves as a proxy war between Saudi and Iranian forces became unbearable to a huge number of Yemeni citizens. While the country has been ranked among the poorest countries in the MENA region in terms of GDP per capita, the civil war brought famine to the country and over half of its population is at risk of malnutrition (Talmazan 2018). Soon the poor health and sanitation infrastructure damaged by war brought another disaster – an outbreak of cholera that began in late 2016. As of the autumn of 2019 the number of suspected cases stood at 2,2 million, while 3,8 thousand people have died (World Health Organisation 2019). Comparing to the other disasters, the Covid-19 pandemic seems to be just one more burden to bear. However, taking into account the death rate

reported at 255 and the number of reported cases – 926 as of June 2020 ([reliefweb.int 2020a](https://reliefweb.int/report/yemen/coronavirus-outbreak-yemen)), one can see that the virus is much more harmful and deadlier than elsewhere. Devastation of the country's infrastructure made the simplest measures to prevent the pandemic impossible, as the health care and sanitation system collapsed, and even access to clean water is very limited. The vast majority of Yemeni population (about 80%) depends on aid to survive, which makes them even more vulnerable to any illness (BBC 2020). Moreover, the 926 cases are most likely highly underreported – during a civil war testing citizens against coronavirus comes low on the list of priorities.

While the Libyan civil war has started in 2014 the country had been unstable since the collapse of the Mu'ammar al-Kaddafi regime in 2011. Despite political and military efforts no force was able to reunite the whole country, which has been divided between two opposing forces – those of the House of Representatives and the Libyan National Army and those of the Government of National Accord with the Libya Shield Force, and additionally – by local militias. Years of a multilateral civil war have already put the healthcare system at the verge of collapse. What is more, the conflicted forces have not only decided to continue and intensify their fight, but also have been targeting health facilities ([reliefweb.int 2020b](https://reliefweb.int/report/libya/coronavirus-outbreak-libya)).

In a similar manner a civil war has been going on in Syria since 2011, along with demonstrations against the rule of Syrian president Bashar al-Assad. Becoming a proxy war of different countries and agents, and for several years the core part of the self-proclaimed caliphate of the Islamic State, Syria has turned into the deadliest war zone of the 21st century, with over 0,5 million people killed (Syrian Observatory for Human Rights 2020), over 7,6 million internally displaced and over 5,1 million refugees (UNHCR 2020). While the number of confirmed Covid-19 cases has been low – just 58 as for May 2020 – the number can be underestimated, as only two out of three hospitals in the country are fully functioning, and medical and protective equipment is in short supply ([reliefweb.int 2020c](https://reliefweb.int/report/syria/coronavirus-outbreak-syria)).

Too Much to Bear: Algeria, Iraq and Lebanon

The pandemic has caught at least three MENA countries in an already unstable political situation. Citizens of Algeria, Iraq and Lebanon were protesting against their ineffective governments, hoping for a political change. Thus, their countries have some (although limited) capacities to respond to the pandemic, but the legitimacy of the governments is at stake.

Algerian protesters have formed the Hirak Movement and started their activity by demanding a resignation of Abd Al-Aziz Al-Bouteflika, who has just stated that he was going to apply for the 5th presidential term. While this has ultimately been achieved in spring, the Hirakis kept protesting every week demanding more democracy, civic liberties, rule of law and getting rid not only of the president, but also from the ruling clans and groups of the regime. The Covid-19 pandemic has limited Hirak's activity – they decided to discontinue the protest by mid-March for the sake of collective health. At the same time the Algerian government has used the opportunity to stop the movement by intensifying arrests against its members, journalists and activists. Moreover, a law that criminalises dissemination of fake news has been adopted, which in this harsh political context can serve as a legitimisation of government attempts to crush the Hirakis (Middle East Monitor 2020). It seems that the pandemic has been used for political purposes, but – taking into account the scope of social discontent – one cannot be sure, whether these strict measures will bring any long-lasting political result.

The Lebanese protests started only several months later and were triggered by harsh economic situation. New taxes (for gasoline, tobacco, some applications) provoked people to demonstrate against high unemployment, sectarian rule and ineffective government (Daily Star 2019). The protests led to the resignation of the prime minister Saad Hariri and appointment of a new one – Hassan Diab. However, the demonstrations have been continued as the new government has not met the hopes and the economic situation has not been improved. An additional challenge has been the debt that the country had to manage and pay to its international creditors. As if the situation had not been severe enough, the pandemic has hit the country causing many businesses to close. In April the protests intensified in terms of scale, size and force used. As of the end of June a new wave of protests has been going on in Lebanon, and the Lebanese pound has lost 70% of its value from October 2019 (BBC News 2020). As any plan for a bailout will have to involve economic reforms that will be hard to bear for the society, there seems to be no way out. What is more, the Covid-19 has actually only exacerbated the troublesome situation of the country.

Iraq is a country that seems to be finally recovering from the years of civil war and the dominance of the so-called Islamic State. While IS has been expelled from Iraqi territory around 2017, there has been an ongoing low-level insurgency on its territory, inspired and incited by a number of military and paramilitary forces of different loyalties. At the same time the country has been witnessing ongoing civil protests against ineffective economic policy, inefficient public services, corruption and state violence. Just as in the case of Lebanon, the protests have resulted in

a change of government with three designated prime ministers in 10 weeks trying to pass a new government (Reuters 2020). Despite the pandemic, people kept protesting as the economic and political situation of their country gave them no hope. Still, it is questionable whether the country will be able to recover from the war in a way that would be acceptable for its citizens.

As Good as it Gets: Egypt and Morocco

In comparison with other Arab states Egypt and Morocco share similar socio-economic conditions with high proportion of rural population, low GDP, low education and young age. Although they differ in terms of political system, as Egypt is a republic, doomed to be authoritarian after the collapse of the rule of Muhammad Mursi, while Morocco is a monarchy, which can be strict to its citizens if needed, they have taken similar approaches to the COVID-19 pandemic.

The health care systems in both countries are understaffed and underpaid with just 7 physicians per 10 thousand people (WHO 2020). It may not be the lowest in the region, as the poorest country is Yemen, but rather worse than better, and definitely below the average for MENA countries, even if the high-income countries are excluded. The scarce resources make managing the pandemic even more problematic, as the chances that the number of infected who need hospital treatment will exceed the capacity of health institutions is relatively high. Thus, both countries developed a strategy of surveillance with high stringency level aimed at limiting physical contact and so hoping to flatten the deadly COVID-19 curve.

The way Morocco has been dealing with COVID-19 has been praised by some and criticized by others. The country has closed its borders relatively quickly, prepared hospitals and set production of masks, medical equipment and devices, mostly by local companies (North Africa Post 2020). While wearing masks is obligatory, the authorities made them affordable by a subsidised price of 0,08 USD. Early and stringent measures were necessary, as the health care system has a limited capacity. Strict lockdown, medical protocols, limited travel, but also enforcing lockdown by police and soldiers, as well as arrests for disobedience have definitely limited the spread of the virus. The strictness of these measures (28 thousand people have been arrested since in one month for disobedience) (Middle East Eye 2020) and the newly imposed laws can be used against any political discontent (not just related to the pandemic) (Moceri 2020).

Egypt has also tried to manage pandemic with a heavy hand, however the results have been less impressive. While it has also established an emergency fund and announced a closure of public institutions and businesses, followed by a curfew, all these actions had been done only by mid-March. The health care system is overloaded, with some people being denied entry to the hospital, and there have been only 135 thousand tests made in a country of 100 million inhabitants (İnanç 2020). In fact, a lot of effort has been put on maintaining a proper media narrative. Thus, not only Egyptians were arrested for spreading fake news about the pandemic, but also foreign journalists banned or censored (Mezran, Melcangi, Burchfield, Riboua 2020). It seems that the government has used the pandemic to gain new powers, as only some of the recent amendments to the Emergency Law are clearly related to COVID-19 (El-Sisi 2020).

Too Rich to Fail: the Oil Rich GCC Countries

The oil abundant countries of GCC have been marked by a high number of recorded cases, combined with strict policy measures and extensive health care. The high number of recorded cases in GCC countries results from a high proportion of foreign low-paid labour workers who live in overcrowded camps. Low quality of medical care available for this group and relatively low standards of living increase the chances of transmission of the virus (Tadros 2020). In fact, Saudi Arabia, followed by Qatar, has the highest rate of active cases among Arab countries, while other GCC countries also rank high with more cases only in the two most populous Arab countries – Egypt and Iraq. At the same time, the GCC health care system combined with a relatively young and healthy migrant population made the death rate relatively low.

The GCC countries adopted a cautious, but at the same time strict policy against the pandemic. Policy measures included curfews, travel bans, and in the case of the Kingdom of Saudi Arabia – suspension of entry to Mecca, including limiting *hajj* only to Saudi nationals and residents. In cities or areas with a high coronavirus rate a 24 hour curfew has been imposed (Naar 2020), or the entire areas were cut off, as in the case of some migrant camps. The strictest measures were imposed in Kuwait, including a full curfew starting in May 2020. Citizens were only allowed to go out for 2 hours a day, and only within their neighbourhoods, as cars were banned from use (KUNA 2020). An important element of these measures was surveillance. In UAE

spreading false information about the pandemic was introduced into the criminal code, while in Oman some people were persecuted for spreading fake news about the pandemic (Oman Observer 2020). In Bahrain those who tested positively were requested to wear electronic tags (Toumi 2020). In Oman movement and spreading of COVID-19 is being tracked and monitored by an application that is also used to detect symptoms and trace contact to those who got infected (WHO 2020b).

With the drop of oil prices some of the GCC countries had to impose austerity measures to ease the burden of severe budget deficits. In the case of Saudi Arabia, the country has tripled the VAT rate to 15%, suspended the cost of living allowance for state employees and decided to cut off some parts of the Vision 2030 programme for a total amount of 26,6 bn USD (Aljazeera 2020). Other GCC countries follow this pattern and impose fiscal measures that impact their citizens, and the rentier state model has been significantly challenged (Nereim, Westall 2020).

Towards a Success Story: Jordan and Tunisia

While it is still too early to say that any MENA country has ultimately won the battle against COVID-19, it seems that two countries are on the right path – Tunisia and Jordan. One is the only democracy that had emerged after the Arab Spring of 2011, and the other is one of the two liberal Arab monarchies.

Tunisia was the only MENA country to be officially nearly free from the COVID-19 virus with no active cases. The country has just opened its borders hoping for foreign tourists to support its national economy. Tunisia's strategy against the virus has been effective by combining adoption of early measures such as a comprehensive lockdown, testing and surveillance (Alinson 2020). Opening the borders was not an easy decision. On one hand the strategy adopted by Tunisian government proved to bring results, as the number of recorded cases had been relatively low. On the other hand, there have been protests and demonstrations against high unemployment, inflation and corruption – challenges that have been a permanent burden of every Tunisian government since the Arab Spring.

Jordan has been named as one of COVID-19 success stories mostly due to the early adoption of strict measures in order to prevent spreading the virus as early as 5 weeks before the first confirmed case. Jordanian strategy included preparing selected health facilities for treatment of COVID-19 patients, as well as a lockdown enforced by a set of emergency military laws, one of the strictest in the whole region.

They included not only closing schools, businesses and government offices, but also a curfew from 6 pm to 10 am and prohibition of using vehicles. These measures combined with testing 2–3.000 people daily made it possible to limit the spread of the virus (Ward 2020).

Conclusions

The countries of MENA region have approached the Covid-19 pandemic in a similar manner, by employing the measures that they have used before – surveillance of citizens, strict containment, a closure of public activities and provision of health care as much as possible. The citizens have been enduring authoritarian rule of their governments for decades. Some of them wanted more freedom, but the bulk of Arab citizens seem to be content with their political leaders. In case of a new emergency, the Arab regimes have turned to the ways of managing them that will have the best possible result. Moreover, it seems that this strategy has proven to be effective. Of course, one has to take into account the young age of Arab population, which makes them less susceptible to the virus. One may also observe to how the global pandemic will affect Arab economies, many of which depend of tourism. At the same time, it seems that Arab populations have rather obeyed the regulations and followed the rules, despite the collective character of these societies and Ramadan that has been underway.

In case of the fragile Arab states – Yemen, Libya and Syria – it is of course hard to speak about any reasonable measures that these countries could take in order to limit the spread of the virus. In case of other states in MENA region, the high stringency level seemed to be working as good as it can. The GCC countries have high level of recorded cases, but the death rate is very low. There are some countries which despite poorly equipped health care managed to significantly flatten the curve. Tunisia and Jordan are two countries that have been praised for their efforts in limiting the spread of Covid-19. Except for the fragile states, only several countries seem to be less effective in the battle – Iraq, Lebanon, or Egypt, countries with a low level of trust in government, or those with a relatively clumsy approach to the virus. However, the battle is not always against the virus itself (at least not yet), but rather a part of an ongoing political struggle.

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EVA KOVÁŘOVÁ*

Territorial and Sectoral Distribution of the ODA Gross Disbursements Channelled Using Civil Society Organizations: Czechia Compared with Other Central European Countries

Abstract

Civil society organizations represent important actors in delivery of development assistance. International community recognizes them not only as actors on their own, but also as the contractors of the official governmental programmes and projects. Their involvement in development policies of donor countries has been especially emphasized since the 1990s, and it is generally regarded as valuable in fulfilment of the 2030 Agenda for Sustainable Development. Governments of the Central European Countries also cooperate with civil society organizations in development policies, and use them *inter alia* as the channels for aid delivery. However, the level in which governments use their services in delivery of the Official Development Assistance differs. Therefore, the aim of this paper is to identify and evaluate territorial and sectoral distribution of the ODA gross disbursements of Czechia channelled using civil society organizations, and to compare this distribution with the ones found in Hungary, Poland and Slovakia. Through civil society organizations Czechia has allocated nearly $\frac{1}{4}$ of its total volume of ODA gross disbursements related to individual programmes and projects during the period between 2014 and 2018. However, the Hungarian government cooperated with civil society organizations marginally, and their participation reached a maximum level of 6% in 2018. Civil society organizations, participating in development policies of the Central European

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Countries, were involved mainly in the programmes and projects concerning social infrastructure and services, which complies with their traditional and most common roles.

Key words: civil society organizations, development policy, gross disbursement, official development assistance, sustainable development.

JEL Classification: F35, F43, F63, Q01.

Introduction

Official Development Assistance (ODA) represents one of the most important external financing resources that can help low- and middle-income countries with the fulfilment of the *2030 Agenda for Sustainable Development*. Organisation for Economic Co-operation and Development considers ODA the assistance provided by official agencies, including state and local governments, or by their executive agencies on concessional terms, and administrated with the aim to promote economic development and welfare in poorer countries (OECD, 2020a). Donor countries deliver their assistance using various channels, while civil society organizations (CSOs) are considered to be of growing importance.

In the field of ODA delivery, CSOs usually serve as the contractors to official governmental programmes, and they deliver development assistance via realization of the bilateral projects financed from the public sources of donor countries. However, they also pursue their own projects, that can be co-financed from public sources. Their involvement in governmental development policies has been internationally recognized since the late 1980s. The New European Consensus on Development, which introduces common principles of the European Union's and its Member States' development policies, considers civil society organizations to be "*instrumental partners in reaching the most vulnerable and marginalised people*"; and evaluates their participation as valuable, so that it "*encourages all parts of society to actively engage*" (European Council, 2017: 6; 35). The *2030 Agenda for Sustainable Development* requires encouragement and promotion of the "*effective public, public-private and civil society partnership*" for achieving the Agenda's goals (United Nations, 2015: paragraphs 17.17). Global Partnership for Effective Development Cooperation (2020: 9) states that civil society organizations are "*development actors in their own right*" and sees them "*at the forefront of development efforts*".

The Central European Countries – Czechia, Hungary, Slovakia and Poland (further referred to as "CEC") belong to the official donor community, being members

of the Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD DAC). As the EU Member States, the CEC adopt and implement their own development policies as well as participate in the EU development policy, as it is defined in the Treaty on the Functioning of the European Union (2007): “*In the areas of development cooperation and humanitarian aid, the Union shall have competence to carry out activities and conduct a common policy; however, the exercise of that competence shall not result in Member States being prevented from exercising theirs*” (Article 4, paragraph 4); while the EU and Member States’ policies “*complement and reinforce each other*” (Article 208).

The CEC laid the legal basis of their development policies using their national legislation, and they specify their thematic and territorial priorities with regularly issued concepts, particularly strategies of development cooperation. Their priorities should comply with the international and EU commitments, particularly regarding the volume of ODA and its overall objectives. Since the adoption of the *2030 Agenda for Sustainable Development* in 2015, donor countries are asked to contribute to the fulfilment of the Agenda’s priorities using their development policies, which was reflected at the EU level by the European Consensus on Development in 2017. The Consensus declares that the EU and its Member States will implement the 2030 Agenda in “*partnership with all developing countries*”, and emphasizes the necessity to respond to “*current global challenges and opportunities*” in the light of this Agenda (European Council, 2017: 2–3).

The CEC cooperate with CSOs in the implementation and realisation of their development policies, using them as channels for ODA delivery. Each country can choose the extent in which its CSOs are involved in the development policy, and thematic areas and countries where CSOs can participate in a delivery of the aid. Therefore, it can be expected that some differences exist among the CEC. Therefore, the aim of the paper is to identify and evaluate territorial and sectoral distribution of the ODA gross disbursements of Czechia channelled using civil society organizations, and to compare this distribution with the ones identified for three other Central European Countries (Hungary, Poland, Slovakia). The main emphasis is placed on Czechia, because Czechia launched its official governmental development policy as the first Post-communist Central European Country in the mid-1990s.

The analysis focuses on the period between 2014 and 2018, the data for which was extracted from the OECD Stat in October 2020. Presented results should be considered partial results of a wider research dealing with the ODA delivered by countries that had accessed the EU after the year 2003. Research is motivated by the claim presented by Lewis and Kanji (2009) who wrote that the research literature on

development non-governmental organizations remained underdeveloped. Especially in Czech research space, no serious studies dealing with the topic of CSOs in the context of ODA delivery were published in recent years.

Theoretical Background of the Analysis

Civil society is generally understood as the third sector of the economy, existing alongside the government and business sector. Therefore, civil society organizations (CSOs) are characterized as private, non-profit, self-governing, voluntarily constituted and supported organizations (Ott and Valero, 2018). With respect to the EU terminology, “*civil society organisations are independent actors, organised on a not-for-profit and voluntary basis, and active in different fields, such as poverty reduction, emergency aid, human rights, environment etc.*” (European Commission, 2020). This understanding is close to the understanding of non-governmental organizations (NGOs) introduced by Clarke (1998: 36) who describes NGOs as “*the private, non-profit, professional organizations with a legal character, concerned with public welfare goals.*” However, non-governmental organizations should be “*recognised as only one, albeit important, actor in civil society*” (Banks and Hulme, 2012: 2). Besides the non-governmental organizations, civil society consists of charities, community groups and associations, professional associations, trade unions, social movements and advocacy groups.

The origin of the term NGO refers to the United Nations Charter, adopted in 1945, which speaks in its article 71 about consultations of the United Nations Economic and Social Council with the non-governmental organizations (United Nations, 2020). Soon after the introduction of the Charter the term NGO was adopted for common use by organizations of such type (Willetts, 2011). Today, non-governmental organizations are generally considered, in the context of development cooperation, as the organizations constituted in their home countries and organized to work across national borders (Brown et al., 2000), or to operate outside their home countries (Ott and Valero, 2018). The original term *Non-Governmental Organization* is sometimes extended to emphasize the transnationality or the focus on topics concerning development, the terms international non-governmental organization (Brown et al., 2000; Ott and Valero, 2018), or non-governmental development organization (Lewis, 2001; Horký, 2011; Banks and Hulme, 2012) are the ones used most commonly.

The gradual involvement of the CSOs/NGOs in development policies is being observed since the late 1980s (Lewis and Kanji, 2009), while until the late 1970s CSOs/NGOs were little-recognised for the implementation of development projects (Banks and Hulme, 2012). The rise in their numbers and international influence, and thus participation in development cooperation, was affected by neoliberalism and expanding globalization in the late 1980s and 1990s. However, this rise also had some pragmatic reasons, such as technological progress, and was affected by the end of the Cold War in positive terms (Ott and Valero, 2018). In the 1990s, CSOs/NGO were regarded as development actors bringing new solutions to long-lasting development problems characterized with inefficient inter-governments aid and ineffective development projects (Lewis, 2001). Emphasis placed on principles of good governance, partnership, recipient countries' ownership, transparency and accountability opened space for further cooperation with CSOs/NGOs in development affairs in the 2000s. Today, CSOs/NGOs are considered to be important actors in the development field (Lewis and Kanji, 2009); an integral part of the development aid industry (Lewis, 2001); and channels for significant volumes of ODA (Clarke, 1998).

CSOs/NGOs especially work to deliver various services to the people in need (Lewis and Kanji, 2009), which is considered their traditional and most common role (Brown et al., 2000). They provide services in many fields, from livelihood interventions, health and education services, to more specific areas such as democracy building, defence of human rights or conflict resolutions (Lewis and Kanji, 2009). They are considered to be innovative in programmes aimed at reducing infant and maternal mortality, promoting health care and education, providing the basic services of water supply and sanitation (Helmich, 1999) and delivering services related to social development (Smillie, 1999). However, they also organize public advocacy and public campaigns for change (Lewis and Kanji, 2009), or build public support for governmental development policies in donor countries (Smillie, 1999). In development aid delivery they usually serve as the contractors to official governmental programmes of development assistance (Helmich, 1999), while their primary function is seen in transferring (channelling) resources from donor countries to the recipient ones. Positives and negatives connected with the CSOs/NGO participation in delivery of the development aid are shortly summarized in Table 1.

Table 1: Positives and negatives of the CSOs participations in development cooperation

Positives	Negatives
Alternative and more flexible funding channel with lower costs (Lewis and Kanji, 2009) Promotion of local participation (Lewis and Kanji, 2009) Organization and motivation for sustainable community self-efforts (Smillie, 1999) Innovations in programmes concerning basic human needs (Helmich, 1999)	Undermining centrality of the state receiving the aid (Lewis and Kanji, 2009) Spreading neo-liberal policy orthodoxies (Lewis, 2001) Possible hijacking of their activities by elite groups of professional activists or interest groups (Nanz and Steffek, 2004) Quiet suspect legitimacy (Brown et al., 2000) Questionable effectiveness, accountability, and legitimacy (Tortajada, 2016)

Source: Own literature review

Legitimacy, transparency and accountability of CSOs/NGOs are the most questioned affairs. Therefore, international community aims to enhance their accountability, which is also reflected in the outcomes of so-called High-level Forums on Aid Effectiveness (held in Rome in 2002; Paris 2005, Accra 2008, Busan 2011). In 2011 the fourth, and last, Forum launched so-called Busan Partnership Agreement, that recognized the importance of the CSOs role in development cooperation, while the Agreement's signatories committed themselves to (a) enable CSOs to exercise their roles as independent development actors; (b) encourage CSOs to implement practices that strengthen their accountability and that contribute to development aid effectiveness. Transparency and accountability are objectives of CSOs in themselves, as well as principles of the effectiveness of their aid, as declared by the Open Forum for CSO Development Effectiveness with the Istanbul CSOs Development Effectiveness Principles launched in 2010 (CSO Partnership, 2020).

Formulation of the Research Objective and Structure of the Analysis

The aim of the paper is to identify and evaluate territorial and sectoral distribution of the ODA gross disbursements of Czechia channelled using civil society organizations, and to compare this distribution with the ones found in the three other Central European Countries (Hungary, Poland and Slovakia). The analysis is focused on the period between 2014 and 2018 due to the absence of data concerning longer periods, and it concerns the Central European Countries since they are subject to

the same international and European Union commitments concerning the Official Development Assistance.

The research, results of which are presented further, was based on a review of relevant scientific literature, an analysis of the CEC national strategies specifying priorities of their development policies, as well as on quantitative analysis of secondary statistical data quantifying the involvement of CSOs in ODA delivery of Central European Countries. The analysed statistical data was extracted from the OECD.Stat in October 2020, from a database called *Creditor Reporting System Aid Activity Database* (CRS), which provides basic data collected on individual projects and programmes of the donor countries. This Database reports ODA flows of the type called gross disbursements, a disbursement being understood as “the placement of resources at the disposal of a recipient country or agency, or in the case of internal development-related expenditures, the outlay of funds by the official sector” (OECD. Stat, 2020).

Organisation for Economic Co-operation and Development (2020c) uses terms Non-Governmental Organisations and Civil Society Organizations as synonyms for organizations constituted as non-profit entities organized on a local, national or international level, and without significant government-controlled participation or representation. The OECD reports gross disbursements of aid with respect to different channels of delivery, the one related to CSOs being called NGOs & civil society. To show that assistance reported by the CEC to the OECD Credit Reporting System could be delivered using various actors of a civil society, modified acronym CS(O) is used to introduce results of the statistical analysis.

To meet the aim of the paper, statistical analysis of the Czech ODA gross disbursements related to individual programmes and projects is divided into several parts:

- (1) Involvement of the CSOs in development cooperation is evaluated by calculating the percentage shares of the volume of ODA gross disbursements delivered using the CSO channel in total volume of gross disbursements reported to the CRS. Attention is given to the percentage shares calculated for all developing countries and for all developing regions, respecting their OECD definition.
- (2) Distribution of the ODA gross disbursements delivered using the CSO channel among main developing regions is evaluated by calculating regions' percentage shares in the total volume of gross disbursements delivered using the CSO channel to all developing countries, with respect to the CRS database.
- (3) Distribution of the ODA gross disbursements delivered using the CSO channel among main thematic sectors is evaluated by calculating sectors' percentage

shares in the total volume of gross disbursements delivered by CSOs to all sectors, with respect to the CRS database.

The results for Czechia are then graphically compared with the ones identified for Hungary, Poland and Slovakia. Research follows two hypotheses: (1) CSOs are internationally recognized as important actors of the development aid industry, and thus CSOs will participate in development policies of the CEC too; (2) CSOs are generally expected to serve as providers of basic services related to social development, and thus CSOs will act their traditional role also within the frames of the CEC development policies too.

Results and Findings

Czechia introduced its official foreign development policy as the first Post-communist Central European Country in the mid-1990s. However, the first concept of development cooperation was launched for the period between 2002 and 2007. *“Reduction of poverty through the economic and social development”* was stated as its main objective (Czechia, Ministry of Foreign Affairs, 2001: 3). CSOs were regarded as the actors in public discussion on foreign development policy (Czechia, Ministry of Foreign Affairs, 2001). In 2010, Czechia adopted its first national Act on Development Cooperation and Humanitarian Aid, and launched a second strategy of development policy for the period 2010–2017. This strategy recognized non-governmental organizations among the key players in development cooperation. Thematically, cooperation should have been focused on environment, agriculture, social and economic development, promotion of democracy, human rights and social transformation (Czechia, Ministry of Foreign Affairs, 2010).

Current development cooperation strategy has been adopted for the period of 2018 to 2030, and aims to *“create strategic partnerships in development cooperation between the public, civil and academic sectors”* as involvement of the non-governmental sector is seen in the implementation of the development cooperation (Czechia, Ministry of Foreign Affairs, 2017: 5). Main territorial priority has been assigned to the Eastern European Countries, as well as to some African and Asian countries. Main thematic priorities are defined in relation to the 2030 Agenda for Sustainable Development, and include good democratic governance, sustainable management of natural resources, economic transformation and growth, agriculture, rural development or inclusive social development (Czechia, Ministry of Foreign Affairs, 2017). Concepts/strategies

of development cooperation were formulated by the Czech Ministry of Foreign Affairs, and the Czech Development Agency had been set as the administrative unit responsible for the implementation and formulation of development cooperation programmes. The Agency offers tenders and grants through which actors from non-governmental sectors (both business and civil) become the contractors to governmental ODA projects.

Comparable which Czechia, the other CEC also define their development policies using their national legal acts (Hungarian has been in force since 2014, Polish since 2011 and Slovakian since 2015), and specify their territorial and sectoral priorities with regularly issued strategic documents. Currently applied documents are introduced in Table 2, where the role of CSOs in development policy is also explained with respect to these documents.

Table 2: Overview of other CEC strategies and the context of CSO participation

Country	Actual Strategy	Role of CS(Os) with respect to Strategy
Hungary	Concept for International Humanitarian Aid of Hungary 2014–2020	Civil society organizations “ <i>play a pivotal role in the implementation of the development cooperation</i> ”, alongside to public administrations (p. 4), and they are “ <i>key partners of the policy-makers in the planning, evaluation and awareness raising process of the Hungarian development cooperation</i> ” (p. 13). However, Hungary seeks how “ <i>to increase the involvement of CSOs in the planning and implementing of the development projects</i> ” (p. 8).
Poland	Multiannual Development Cooperation Programme 2016–2020	Civil society is recognized as one of the “ <i>stakeholders of Polish development cooperation</i> ” (p. 3). Then, non-governmental organizations are specified as the channel for allocation of development cooperation finance, when they are assigned to be the “ <i>first and foremost conducted</i> ” channel for the aid allocation (p. 40).
Slovakia	Medium-term Strategy for Development Cooperation of the Slovak Republic for 2019–2023	Strategy recognizes the move “ <i>from state foreign assistance to a more inclusive role for everybody</i> ”, including also the civil society, when explaining that “ <i>non-governmental organizations in particular are key partners in the development area</i> ” (p. 3). Cooperation with the civil society is considered to be structured efficiently (p. 5), and the role of civil society in “ <i>implementing development cooperation projects in partner countries is crucial</i> ” (p. 40).

Source: Hungary, Ministry of Foreign Affairs and Trade (2020); SlovAid (2020); Website of the Republic Poland gov.pl (2020), own documents' review

Territorial Distribution of the ODA Gross Disbursements Channelled Using the CS(O)

Czechia and other CEC do not meet the international and EU commitments concerning the volume of ODA. Between the years 2004 and 2018 the volume of Czech ODA related to GNI did not exceed 0.15%, while the international target defined by the United Nations is 0.70%; and the EU one, specified separately for the Member States accessing the EU after 2003, is 0.33%. However, between the years 2014 and 2018, Czech gross disbursements reported for individual ODA programmes were increased by 36,471 mil. USD in absolute terms, respectively by 57.26%. In 2014, the highest percentage of such aid flows was allocated to Europe (31.3%), followed by Asia (28.1%). In the following years the importance of Europe and Asia as the aid recipient regions started to decline gradually. In 2018, only 25.7% of the ODA gross disbursements related to individual programmes was allocated in Europe, resp. 19.5% in Asia. However, this finding has to be considered in relation to the growth of aid reported within the *unspecified* category (see Table 3).

Table 3: Distribution of the Czech ODA gross disbursements among developing regions using all channels

Million USD, constant prices 2018	2014	2015	2016	2017	2018
Developing countries	63,696	83,568	83,512	88,885	100,167
Europe	19,955	24,465	22,184	20,469	25,737
Africa	6,916	8,025	7,397	11,025	12,034
America	0,805	0,823	0,932	1,134	1,317
Asia	17,876	27,013	26,634	24,938	19,545
Oceania	0	0	0	0,026	0
Unspecified	18,143	23,243	26,364	31,294	41,535

Source: OECD.Stat, database Creditor Reporting System (2020)

During the period between 2014 and 2018, CS(O) channel was used to deliver about 1/4 of all gross disbursements allocated through individual ODA programmes to all developing countries (see Table 4). This channel was mostly used to deliver ODA to poorer developing regions (Africa, Asia). The importance of the CS(O) channel was enhanced for Asia because the participation of CS(O) in aid delivery grew by 33%, from 19.7% (year 2015) to 52.5% (year 2018).

Table 4: Share of the CS(O) channel on all channels used for the Czech ODA gross disbursements delivery

In percent	2014	2015	2016	2017	2018
Developing countries	24,652	21,632	24,333	21,814	23,070
Europe	28,468	34,396	29,489	26,325	23,087
Africa	51,586	38,327	51,698	36,697	45,530
America	32,639	39,708	21,489	37,475	37,001
Asia	29,837	19,648	33,071	34,692	52,523
Oceania	0	0	0	0	0
Unspecified	4,725	4,099	3,591	2,762	2,252

Source: OECD.Stat, database Creditor Reporting System (2020), own data processing

Distribution of total gross disbursements of ODA among main developing regions using the CS(O) channel changed significantly during the period of 2014–2018. In 2014, one third of such ODA allocations was delivered to Europe (36.2%) and to Asia (34%), but allocation to Europe has declined since 2015 in favour of Asia (see Table 5).

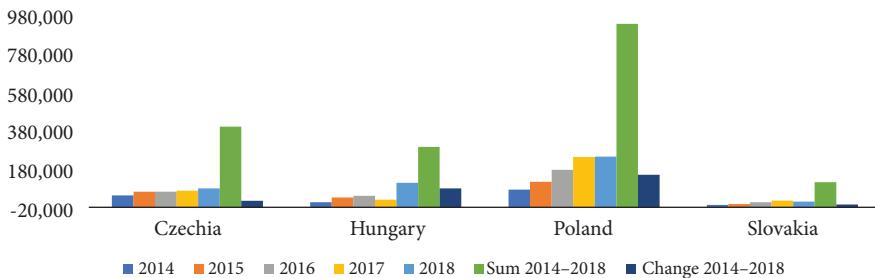
Table 5: Territorial distribution of the Czech ODA gross disbursements channelled using the CS(O)

In percent	2014	2015	2016	2017	2018
Europe	36,178	46,549	32,192	27,792	25,713
Africa	22,721	17,014	18,819	20,866	23,709
America	1,673	1,807	0,985	2,191	2,108
Asia	33,968	29,359	43,344	44,620	44,423
Oceania	0	0	0	0	0,090

Source: OECD.Stat, database Creditor Reporting System (2020), own data processing

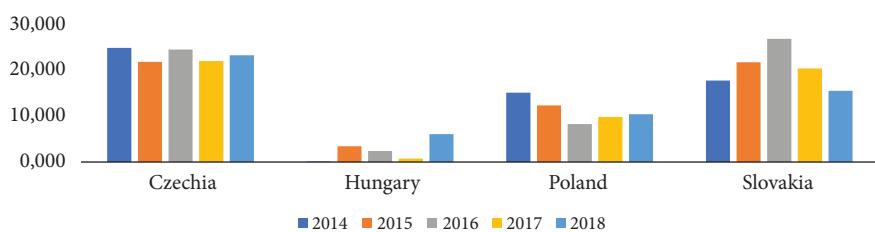
It seems that Czechia relies on CS(O) participation in development programmes and projects implemented especially in Asia, because that is where CS(O) delivered 52.5% of the ODA gross disbursements in 2018; and 44.4% of ODA gross disbursements related to individual programmes and delivered using the CS(O) channel was allocated to Asia as well.

All CEC increased their gross disbursements of ODA allocated through individual projects and programmes between the years 2014 and 2018, while the highest spending in absolute terms was recorded by Poland (see Figure 1).

Figure 1: CEC ODA gross dibursments allocated to all developing regions (in mil. USD)

Source: OECD.Stat, database Creditor Reporting System (2020), own data processing

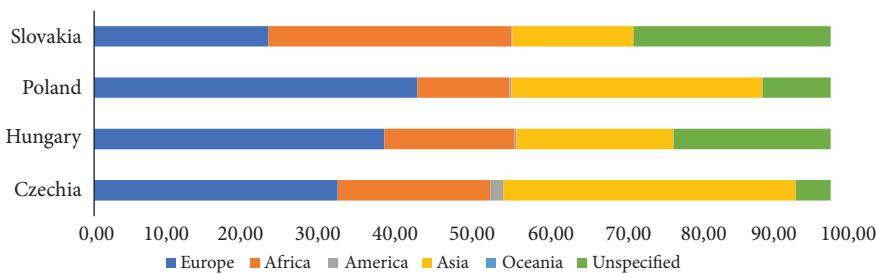
All CEC countries delivered ODA using the CS(O) channel, which confirms the first research hypothesis. However, the involvement of CS(O) in aid delivery significantly differs among CEC. While Slovakia use of CS(O) channel was comparable with Czechia, Poland involved CS(O) in aid delivery on significantly lower level, and the lowest participation of CS(O) was reported by Hungary, which had to use CSO channel only in a minimal amount of cases (see Figure 2). In 2014, the share of CS(O) channel in total volume of Hungarian ODA gross disbursements allocated to all developing countries accounted for only 0.14%, while the maximal level of 6.02% was reached in 2018.

Figure 2: CEC ODA gross dibursments allocated to all developing regions using the CS(O) channel (in percent)

Source: OECD.Stat, database Creditor Reporting System (2020), own data processing

CS(O) were used by all CEC to channel aid allocated through individual projects and programmes to all developing regions during the whole period of 2014 to 2018. However, regions with the highest CS(O) participation differ among the CEC. Slovakia spent the main part of the total volume of ODA gross disbursements delivered using CS(O) channel in Africa, Poland and Hungary in Europe, and Czechia in Asia (see Figure 3).

Figure 3: CEC distribution of the ODA gross disbarments among developing regions channelled using the CS(O) (in percent)



Source: OECD.Stat, database Creditor Reporting System (2020), own data processing

Sectoral Distribution of the ODA Gross Disbursements Channelled Using the CS(O)

In the Creditor Reporting System OECD recognizes eight sectors for the ODA gross disbursements allocation through individual programmes and projects. In this paper attention is further paid to four sectors, including (1) social infrastructure and services; (2) economic infrastructure and services; (3) production sectors; (4) multi-sector/cross-cutting. The other sectors are not viewed as sectors with direct link to sustainable development (sectors of the commodity aid, humanitarian aid and refugees in donor countries) or they represent links to past heritage (sector of the action related to debt).

Distribution of the ODA spent through individual programmes and projects among thematic sectors is especially influenced by the CEC priorities defined in their strategic documents. Czechia, respectively the Czech Ministry of Foreign Affairs and Czech Development Agency, opens space for CS(O) participation in defined themes through regularly announced grants and tenders, especially in so-called soft projects related to basic services. Therefore, the highest participation of CS(O) was reported for individual programmes and projects executed within the sector of social infrastructure services (see Table 6).

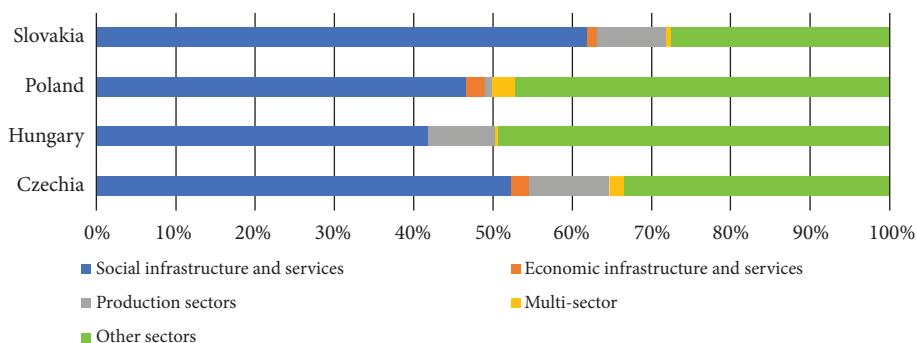
Table 6: Sectoral distribution of the Czech ODA gross disbursements channelled using the CS(O)

In percent	2014	2015	2016	2017	2018
Social infrastructure and services	54,396	58,123	57,597	51,226	42,621
Economic infrastructure and services	2,976	2,061	2,015	2,986	1,672
Production sectors	11,239	11,666	9,000	8,998	9,812
Multi-sector	2,042	0,308	1,460	1,195	4,102

Source: OECD.Stat, database Creditor Reporting System (2020), own data processing

The sector of social services and infrastructure includes, respecting the OECD methodology, such sub-sectors as education, health, population policies, water supply and sanitation, government and civil society. Those are the sectors where a higher involvement of CS(O) in aid delivery is generally expected. Other CEC cooperated with CS(O) especially in the sector of social infrastructure and delivery (see Figure 4).

Figure 4: CEC distribution of the volume of ODA gross disbursements among sectors channelled using the CS(O) (in percent)



Source: OECD.Stat, database Creditor Reporting System of the OECD (2020), own data processing

Between 2014 and 2018 Czechia used the CS(O) channel to allocate 52.31% of its total ODA gross disbursements related to individual programmes and projects in the sector of social infrastructure and services, while for Slovakia it amounted to 62.6%. Polish spending was lower only by 5 p.p. and Hungary reported sectoral distribution only for the years 2015–2018, but again the main part (41.78%) of its gross disbursements was allocated in favour of the social infrastructure and services sector. These findings confirm second research hypothesis concerning the involvement of CS(O) in the delivery of basic services related to social development.

Conclusions

Civil society organizations have been important actors of the development aid industry especially since the 1990s, when their involvement has been emphasized by the *2030 Agenda for Sustainable Development* adopted by the United Nations in 2015. Organisation for Economic Co-operation and Development, which Development Assistance Committee gathers official ODA donor countries, explains that the Agenda clearly calls for the CSOs “*engagement in implementation of the Sustainable Development Goals*”, when the OECD recognizes CSOs to be the providers of services in development and humanitarian situations that can also “*influence policies through dialogue and advocacy, promote and protect human rights and democratisation*” (OECD, 2020d: 26; 11). Participation of the CSOs in aid delivery is generally seen as valuable and fruitful, since they have the ability to reach the most marginalized people living in poverty or facing inequality. Therefore, their participation is a promise that nobody will be left behind, which is the promise declared by the International Community in the Preamble of the *2030 Agenda for Sustainable Development* (United Nations, 2015).

The Central European Countries, including Czechia, Hungary, Poland and Slovakia, belong to the donor countries and active members of the OECD DAC. However, their development cooperation policies, built since their accession to the European Union in complementarity to the EU one, are still “new” for them and they show some flaws. However, CEC use the opportunities offered them by the European and global development aid industry and emphasize the principles of global governance. Although their civil societies have been not well-developed yet, their participation in delivery of the Official Development Assistance is expected and required with the countries’ national strategies of development cooperation. They are especially involved as the contractors to official governmental programmes and projects.

During the period between the years 2014 and 2018 the highest involvement of civil society organizations in aid delivered through individual programmes and projects was found in Czechia and Slovakia, which were followed by Poland. Hungary, however, did not involve the CSOs in its development policy sufficiently, and in two years the volume of aid delivered using the CSO channel did not exceed 1% of total gross disbursements of aid. Territorial distribution of the ODA gross disbursements channelled using the CSOs was rather fragmented for all CEC. However, the analysis showed that Europe, which is not a typical developing region, received important part

of such ODA flows of all CEC. It confirms strategic and political orientation of the Central European Countries in their development policies, as well as willingness to share their own experience with economic and political transformation with other European countries. When the sectoral distribution is considered, the main part of ODA channelled using the CSOs was allocated by the CEC to the sector of social infrastructure and services, which is consistent with general expectations.

To conclude the paper, it is necessary to add that no Central European Country meets the international and European targets concerning the volume of ODA, defined by the ratio ODA/GNI. Net ODA flows recorded by the OECD for individual Central European Country did not exceed level of 0.15%, while the EU commits the CEC to allocate at least 0.33% of their GNI, and the United Nations long-standing target is defined at the level of 0.7%. Now, in the time of COVID-19, it will be particularly difficult for the Central European Countries to sustain or increase their ODA flows due to increased domestic public spending, and thus probably lower political and public willingness to help other, poorer countries, which are also affected by COVID-19 in negative terms.

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CHRISTIAN SCHWEIGER*

Perspectives for German-Polish Relations in the EU-27¹

Abstract

In recent years the seemingly firm historical ties between Warsaw and Berlin have become increasingly strained. This results from a growing political asymmetry between the two countries. Germany moved into a semi-hegemonic position under the conditions of the triple crisis of banking, economy and sovereign debt in the eurozone. Consequently, German chancellor Angela Merkel was in a strong enough position to implement ordoliberal reforms of the eurozone's governance architecture, which were promoted as an approach without alternatives. Merkel maintained her uncompromising stance during the migration crisis in the summer of 2015, when she demanded implementation of compulsory migrant distribution quotas across the EU. Poland and the Visegrád countries had initially strongly supported German leadership in resolving the eurozone crisis. The alienation from Germany's European agenda however became significant under the conditions of the migration crisis. Here the firm opposition of Poland and the rest of the Visegrád Group towards Germany's preferences shows a strategic mismatch between the EU's liberal core, which is spearheaded by Germany, and the concept of the "illiberal" state, which Poland has embraced under the PiS government. The willingness to resolve these differences will be crucial in determining the future shape of Polish-German relations.

Key words: Poland, Germany, European Union, Visegrád, Weimar Triangle, Core-Periphery Relations, Brexit.

JEL Classification: F50

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¹ This article considers the state of German-Polish relations as of 20 December 2020.

Introduction: The Long Shadows of the *Ostpolitik*

Relations between Germany and Poland have not been easy since the end of the Second World War. The long shadows of the atrocities committed by Nazi Germany on Polish soil between 1939 and 1945 have been lingering on and are once again visible today. The signing of the bilateral Warsaw Treaty on December 7th, 1970, a day on which Poland had also witnessed the historic “knee fall” of West German chancellor Willy Brandt before the monument for the dead of the Warsaw Ghetto, offered a new starting point for West German-Polish relations. The principle of change through rapprochement exercised under Brandt’s *Ostpolitik* paved the way for a deepening of economic, cultural and ultimately also political ties between Bonn and Warsaw. The *Ostpolitik* had opened paths to overcome the strict divide of the Cold War ideological bipolarity and consequently prevented German-Polish relations to be restricted to the socialist alliance between Warsaw and East Berlin.

Poland played a significant role in enabling the two parts of divided Germany to peaceful reunite on October 3rd, 1990. In return the reunified Germany became a strong advocate of integrating Poland and other countries of the Central-Eastern Europe into NATO and the European Union. In 1991 the West German foreign minister Hans-Dietrich Genscher initiated the Weimar Triangle initiative jointly with his French and Polish counterparts, Roland Dumas and Krzysztof Skubiszewski, to ensure the establishment of a permanent dialogue between Berlin, Paris and Warsaw on strategic European issues. Most of all the Weimar Triangle was supposed to ensure the firm integration of Poland into the West, particularly the EU. For a while it seemed as if the Weimar cooperation could offer the potential for Poland as the leader in the Central-Eastern European region to form a strategic leadership triangle with Germany and France. The Weimar Triangle was supposed to establish a permanent and deepening intergovernmental cooperation between the three countries, which would be accompanied by deepening cultural exchanges (Sender 2017, 143). Particularly Germany had been very focused on maintaining the cooperation until 2015, when Poland faced a fundamental political change from the progressive pro-European Civic Platform government under Donald Tusk to the right-wing populist eurosceptic Law and Justice (PiS) government of Andrzej Duda. Constantly changing prime ministers, PiS has cemented its leading role in Polish politics, always under the strong influence of Jaroslaw Kaczynski, who has been the leader of PiS since 2003 and also served as Polish prime minister between 2006 and 2007, currently occupying the role of deputy prime minister under Mateusz Morawiecki. The Weimar cooperation was strongly

supported by most German foreign ministers since Genscher. Particularly Social Democratic foreign minister Frank-Walter Steinmeier (2005–2009 and 2013–2017) and his liberal successor Guido Westerwelle (2009–2013) were firmly committed to the cooperation. Westerwelle spoke of the potential to turn the Franco-German engine into a Franco-German-Polish engine, which could substantially advance the European Union (Westerwelle 2009). At the – to this date – last meeting of the Weimar Triangle foreign ministers in August 2016, the German foreign minister issued a joint declaration with his French colleague Jean-Marc Ayrault and Polish colleague Witold Waszczykowski, emphasising that:

Given the unprecedented challenges facing Europe, we believe there is a need to intensify cooperation and to give it fresh impetus, and it is in this light that we view the Summit of the Heads of State and Government of our countries planned for this year (German Foreign Office 2016).

Since 2015 the Weimar Triangle has become gradually dormant. This reflects the growing divide between Poland and the EU core, represented by Germany and France. The PiS administrations have openly confronted the EU by backtracking on the basic foundations of liberal democracy and by challenging the German approach towards managing the migration crisis in the summer of 2015 and subsequently challenging migration from third countries. In 2011 the Civic Platform Polish foreign minister Radoslaw Sikorski still called on Germany to take on a leading role in resolving the eurozone crisis when he visited Berlin (Sikorski 2011). His widely reported key quote from the speech “I fear German power less than I am beginning to fear German inactivity” was made in the context of the ambition of the Civic Platform government under the leadership of prime minister Donald Tusk to adopt a leading role for Poland in the EU: “Poland also brings Europe a willingness to make compromises – even to pool sovereignty with others – in return for a fair role in a stronger Europe” (Sikorski 2011). The Civic Platform was consequently strongly committed towards working closely with Berlin on European issues. Tusk had even aspired to lead Poland into the eurozone, in spite of persistent scepticism amongst the Polish public towards the euro. In 2008, when the eurozone crisis began to emerge, Tusk and his ministers announced that it was their aim to lead Poland into the eurozone by 2012. At the same time, they showed their intention to tie Poland closely to the new coordinative mechanisms in the eurozone and demanded that the euro outsiders should be closely involved in discussions of the euro group countries (Tusk 2011). By the time the global financial crisis had caused a triple crisis of banking, economy and sovereign

debt in many eurozone countries, Poland remained the only country in the EU that did not fall into recession during the crisis and consequently seemed to be on a course of adopting a self-confident role as a leading player in the EU.

From the Weimar Triangle to ‘big, bad’ Visegrád

Since 2015 the governments led by PiS have essentially abandoned the goal to join the eurozone, shown little commitment towards the Weimar cooperation and practically no ambition to adopt a leading role. Instead, Poland has focused on the cooperation with its partners in the region. Parallel to the Weimar initiative Poland engaged as the regional leader in the emerging Visegrád cooperation with the Czech Republic, Hungary and Slovakia. Visegrád was initiated in February 1991 and initially acted as an intermittent, loose intergovernmental forum for the coordination of the domestic transformation processes in the countries involved in preparation for joining the EU (Toro, Butler and Gruber 2014). Since the refugee crisis of 2015 Poland has increasingly focused on Visegrád as a means to challenge the German agenda in the EU. On the issue of migration, Poland has stood firm with the other Visegrád countries in rejecting the proposals for a permanent distribution system of refugees in the EU. At their joint summit in Prague in February 2016, the Visegrád countries reiterated their firm opposition towards “automatic permanent relocation mechanisms” and emphasised the need to develop effective mechanisms to protect the EU’s external borders. This profoundly contradicted the stance of the German government. German chancellor Angela Merkel spoke of a ‘moral imperative’ to adopt a liberal stance on migration and to ensure that the EU would remain a safe haven for refugees and asylum seekers (Streeck 2016). More than anything else the migration issue illustrates the growing divide between Berlin and the CEE periphery, which no longer seems to be willing to remain in a passive policy-taker position. Instead, the Visegrád Group is now considering itself as a forum to raise the national interests of the Central-Eastern EU member states. From the perspective of the EU-15 it has consequently been transformed into an alliance of like-minded countries, which challenge the liberal constitutional foundation and value system of the EU, as a “big, bad Visegrád” (The Economist 2016).

Closely connected to this is the tendency towards backsliding on the post-communist democratisation process, which manifests itself in the weakening of constitutional foundations of a democratic state and in a “velvet dictatorship” regime, where those in government apply “soft power” methods by gradually taking

control of the independent media (Agh 2019, 176). Support for these new semi-autocratic hybrid regimes emerged on the basis of a feeling of “woundedness” and “victimisation” in the domestic transformation process, where compliance to external rules and passivity became the predominant feature. This facilitates the rhetoric of “metaphors of battle against hostile and foreign actors and interest constellations” (Farkas and Mate-Toth 2018, 37). These tendencies are particularly visible in Hungary and Poland. The PiS government has embraced the concept of illiberalism, described by the Hungarian prime minister Viktor Orban as a specific model of conservative Christian democracy in Central-Eastern Europe, which rejects Western cosmopolitan liberalism and shows sympathies for autocratic regimes with strong executive power (Orban 2020). The PiS leader has spoken of ‘social diseases’ in the context of the EU’s liberal value system, with reference to migration, same sex marriage and freedom of choice for women on abortion (EURACTIV 2018). PiS has not only challenged the independence of the Polish constitutional court by sending non-conformist judges into early retirement (Ziolkowski 2020), but also rolled out a conservative political agenda which undermines the principle of equality for all societal groups, particularly women and queer people (Przybylski 2018). The latest controversy on the ruling of the Polish Constitutional Court to implement a stricter abortion law, which would make abortions essentially illegal, even if the child is expected to be born with severe disabilities, has caused widespread public unrest in Poland. Ultimately it is a reflection of the uncompromising stance of the PiS government with respect to its domestic political agenda of illiberalism, which resembles Orban’s embrace of conservative Christian values (Wigura, Kuisz 2020). The mass protests against the ruling have caused the government to delay its implementation and show that Polish civil society is at least in part still functioning. This nevertheless does not mean that the ruling will ultimately not be implemented, based on PiS governing majority.

Similar to its domestic agenda PiS has not been reluctant to challenge the EU, and particularly Germany, in spite of its strong dependence on the German export economy. PiS party leader Kaczyński has regularly used anti-German vibes in his speeches. In 2017 he brought up the subject of German reparations for the occupation of Poland during the National Socialist government. In this context Kaczyński had accused Germany of trying to instil an inferiority complex into Poland, by not granting the Polish their rights “resulting from history”: “Accepting this fact as obvious is an element of this national inferiority complex that we were talked into. We have to reject it” (Shotter, Huber 2017). The PiS government has persistently maintained the demand of reparation payments towards Berlin. At the commemoration of the 80th anniversary of the beginning of WW2 in Gdansk Polish prime minister Mateusz

Morawiecki insisted that Germany should pay the compensation for the events of WW2, which was also echoed by Polish president Andrzej Duda (EURACTIV 2019). A commission of the Polish parliament determined the outstanding German reparations at a total sum of 840 billion euros. The German federal government has categorically rejected these demands. It argues that Poland did not raise the issue of reparations during the 2+4 negotiations, which determined the future status of the unified Germany in 1990 (Hagen, Höhne 2020).

As this contentious issue lingers on and burdens German-Polish relations, Berlin and Warsaw have also been increasingly at odds over the issue of the rule of law. Particularly Merkel's Social Democratic coalition partner considers the refusal of Poland and Hungary to abide by the constitutional framework set out in the EU's Copenhagen membership criteria as an unacceptable breach of the essential democratic values of the Union. Particularly Martin Schulz, the former SPD president of the European Parliament and Katarina Barley, formerly a minister in the Merkel government and currently the vice-president of the European Parliament, have supported the enforcement of the EU rule of law framework against Poland and Hungary. In 2016 Schulz told the PiS prime minister Beata Szydlo that "the rule of law, the questions of checks and balances, is not a question of procedure but one that is central to our European democracy and society" (European Parliament 2016). Barley has been heavily criticized by Polish deputy foreign minister Konrad Szymanski for supporting the proposed combination of the EU's rule of law mechanisms with the budget, which could result in Poland being cut off from the EU structural funds if it breaches the rule of law domestically. Szymanski called the proposal an "obvious breach against EU treaties" (Deutsche Welle 2020). The new German president of the European Commission, Ursula von der Leyen, herself a close confidant and former minister under Merkel, takes an equally uncompromising stance on breaches to the rule of law. In her first State of the Union address since taking office in December 2019, von der Leyen emphasised her unwavering intention to enforce the rule of law mechanism in connection with the EU budget:

The Commission attaches the highest importance to the rule of law. This is why we will ensure that money from our budget and NextGenerationEU is protected against any kind of fraud, corruption and conflict of interest. This is non-negotiable (European Commission 2020b).

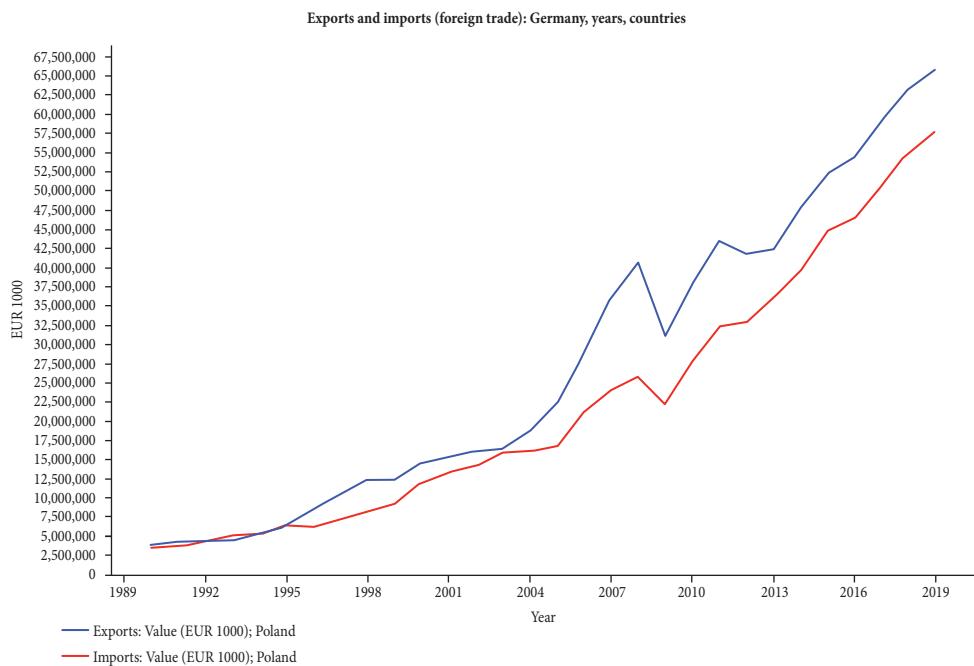
The Polish and Hungarian governments have responded by vetoing the implementation of the EU's 2021–2027 budget in an attempt to block the attachment

of the rule of law mechanism to the budget. In response von der Leyen had asked Poland and Hungary to take their case to the European Court of Justice to obtain a ruling on the compatibility of the proposed mechanism with the EU's existing treaties. The Polish justice minister Zbigniew Ziobro subsequently accused von der Leyen of demagoguery and of malicious behaviour towards Poland (Die Zeit 2020). It is obvious that the PiS administration initiated the standoff with the EU over the proposed new budgetary mechanisms with the purpose of presenting itself domestically as the unwavering defender of Poland's national sovereignty. In this respect it has started to copy the standard comparison of the EU with the Soviet Union, which Hungary's prime minister Orbán has made on a number of occasions. Polish prime minister Mateusz Morawiecki has accused the EU of resembling the behaviour of Poland's communist regime during the Cold War (Notes from Poland 2020a). This was echoed by the justice minister Ziobro, who accused the EU of trying to "enslave" Poland in a rule-of-law regime (Notes from Poland 2020b). Fortunately, intense efforts by the German chancellor to reach a compromise have borne fruit. The compromise reached on December 9 determined that the new rule of law mechanism will only apply for the 2021-2027 budget and not apply with immediate effect. It was also agreed that the implementation of the new mechanism would be subject to a positive ruling of the ECJ before it could be implemented (Zalan 2020). The compromise has unlocked the new budget, which includes the "Next Generation EU" temporary recovery package, comprising of €750 billion. The package is divided into a recovery and resilience facility, which supports domestic investment and reform packages, the regional recovery assistance and support for existing EU programmes, most prominently Horizon Europe, Invest EU, Rural Development and the Just Transition Fund (JTF). In addition, the EU has initiated a new EU4Health programme in support of national healthcare systems, supports lending activity in the financial sector for businesses with €1 billion and adds €100 billion to combat unemployment and further support for the tourism and culture, as well as the agriculture and fisheries sectors (European Commission 2020c).

These political divisions have surfaced against the background of the profound economic dependency of Poland on Germany's export-orientated economy. Poland became the prime example for the strong Central-Eastern dependency on the German manufacturing chain, particularly in the automobile sector. Poland hence adopted an externally financed growth model as part of its post-communist economic transformation, which attracts foreign direct investment predominantly from the neighbouring countries Germany and Austria, based on low wages which allow companies from these countries to operate a cost effective supply chain for the export

products (Farkas 2018: 61). As Figure 1 shows, the value of export from Germany to Poland and the reciprocal imports from Poland back to Germany has grown steadily since 1990 (German Federal Statistics Office 2020). In 2019 German exports to Poland stood at 65.8 million euros, and imports at 57.6 million.

Figure 1: Foreign trade Germany

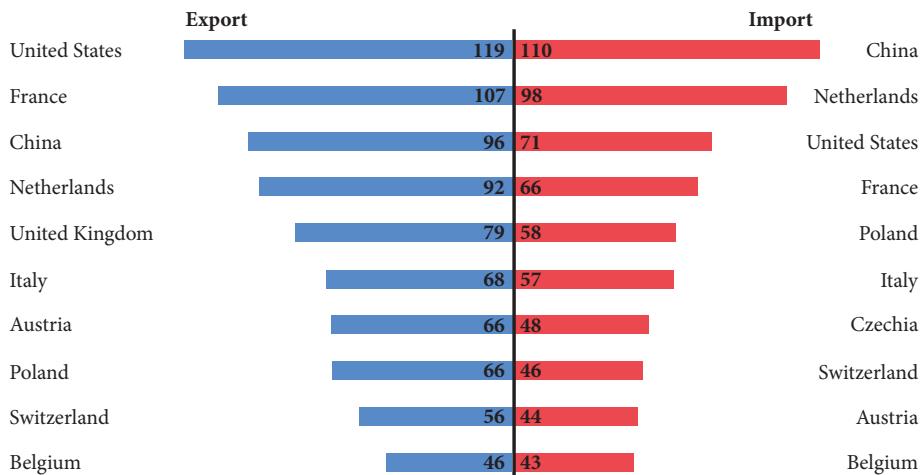


Source: <https://www-genesis.destatis.de/genesis//online?operation=table&code=51000-0003&bypass=true&levelindex=1&levelid=1610705502367>

Figure 2 shows that Poland ranked as the fifth most important trading partner for Germany in terms of imports and as the eighth most important trading partner for exports of German goods. The particular importance of Poland in terms of imports stems from the fact that Poland is an important part of the German manufacturing supply chain, especially in the automobile sector.

Figure 2: Germany's major trading partners, 2019

Euro billions



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Source: https://www.destatis.de/EN/Themes/Economy/Foreign-Trade/_Graphic/_Static/trading-partners.png?__blob=poster

The figures illustrate an ongoing dependence of the Polish economy on the “German supply chain”, which has substantially contributed to Poland’s own export-based GDP growth (Orenstein 2013: 25). Poland managed to combine its close ties with the German economy with the benefits of EU membership by channelling structural funds into infrastructure, education and training, which put it in an exceptional position to remain the only green island in the EU which avoided recession during the global financial crisis 2007–2009 (Drodowicz-Biec 2011). The benefits of the EU membership and dependence on trade with neighbouring countries, particularly Germany, is consequently a major factor which indicates that Poland will not turn its back on the European vocation. This is also supported by the high levels of support amongst the Polish public for maintaining EU membership, which currently stands at 83 per cent (European Commision 2020a, 14).

Conclusions: An Ever-deepening German-Polish Rift?

Overall, it seems as if in autumn of 2020 the relations between Poland and Germany had hit rock bottom. There are, however, glimmers of hope that the gradual deterioration of bilateral relations between Berlin and Warsaw in the past five years will remain a prolonged episode and does not become a new status quo. In this respect it is important to note that the current grand coalition government in Germany has continued to put bilateral relations with Poland at the heart of its European policy agenda. The 2018 CDU/CSU-SPD coalition agreement emphasises that the government wants to expand cooperation with Poland and “intensify cooperation with France and Poland in the Weimar Triangle” (Bundesregierung 2018, 9).

In spite of these adverse circumstances, the current German grand coalition government, which was established in 2017 and has enabled Angela Merkel to govern for a fourth term as chancellor until 2021, continues to emphasise the importance the Weimar Triangle as a priority for Germany’s European policy. SPD foreign minister Heiko Maas has offered Poland a closer relationship with Germany in the wake of the UK’s exit from the EU. In this context he spoke of the need to adopt a joint responsibility to “tear down the remaining walls, which still exist in some heads and also jointly ensure that there will be no new trenches” (German Foreign Office 2019). The determination to rescue bilateral relations with Warsaw could be seen in Merkel’s recent offer to Poland and Hungary to compromise on the inclusion of the rule of law mechanism into the budget. In her capacity as the acting head of the German EU Council presidency Merkel called on the EU and both Warsaw and Budapest to compromise over the issue to resolve the current stalemate over the budget:

(...) without a compromise, this will not work – and by that I mean [a compromise] from all sides. And that’s why I believe that, because this is a truly central project, we must all be prepared to compromise to some extent (von der Burchard 2020).

The fact that the Polish and Hungarian governments immediately held bilateral consultations to discuss Merkel’s compromise offer to change the wording of the rule of law clause in the budget indicates that both countries are also willing to compromise. The Polish government indicated this willingness by stating that they would be open to considering the new proposals (Scisclowska 2020). The fact that a compromise has been found shows that the latest clash, which has brought the EU to a temporary standstill, may still turn out to be a turning point in future relations

between Berlin and Warsaw. Even if currently things still look bleak, both sides may come to realise that they cannot afford to part ways in the post-Brexit EU, and that they both depend on one another more than ever. Poland needs Germany not just in economic terms, but also as a political ally and advocate of Central-Eastern European interests in the EU. Germany is in an urgent need of finding new partners to develop a more inclusive political agenda for the EU, which reflects the variety of national interests in the EU-27, including those of the member states who are reluctant to pool their sovereignty. In summary, Germany needs partners, Poland needs “strong allies as protection” (Lemmen 2017, 154). If Berlin and Warsaw want to rebuild their bilateral relations on a viable base, they should start by realising that these common interests bind them closely together. Whether or not they manage to do so will determine if the EU remains in a permanent state of disunion, or if it finds the resolve to reunite the core with the Central-Eastern and South-Eastern peripheries.

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ZAFER AYVAZ*

Immigration and Integration: Examining Fethullah Gulen's Philosophy of Integration

Abstract

Forced migration is a huge asset, but also a challenge within Europe. The key to overcoming it is love, tolerance, dialogue, humility, self-devotion, as well as creating common and safe spaces for meeting and working together in socially beneficial tasks. In order to prevent and solve problems arising from taking in refugees of different faiths and cultures, believers of all religions need to accept these tasks as a top priority. Although the role of religion in lives of immigrants has been a subject of interest by scholars, not much focus had been put on the importance of social activism of faith-based community organisations in favour of immigrants. This paper focuses on social networks as playing an important role in the integration process, and examines Turkish Islamic Scholar Fethullah Gulen's view of integration within current EU policy regarding Muslim immigrants.

Key words: immigration, integration, dialogue, Fethullah Gulen, Muslim.

JEL Classification: F22, J15.

Introduction

European countries are witnessing a continuous political and social discussion about immigrants' integration into receiving societies. The issue of integration of refugees is back on the agenda, in terms of labour market integration, education,

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housing, healthcare, contact with society and cultural orientations (including attitudes towards refugees) (Uche 2018). As refugees and other types of migrants become members of society, and increase in number, there is a risk of having multiple divided communities within a larger host community, segregated by culture, religion, income and other differentiating factors. Therefore, migration is associated with difficulties and challenges, such as the risk of separation, marginalisation and social conflict. One of the major concerns of Muslim immigrants is of losing their identity, which ultimately leads to a concern for the receiving society that immigrants tend to form ghettos which in its turn hinders integration. For some observers, disaffected Muslims in France, the UK or the Netherlands are seeking to create a society entirely separate from the mainstream (Inglehart, Norris 2009). While trying to learn about the actual 'state of knowledge' in integration/assimilation research is difficult due to an increasing number of studies on specific cases, groups or problems, but also because there is a lack of agreed-upon theoretical and methodological concepts and indicators (Schneider, Crul 2010). In addition, the current political and socio-economical condition of the Muslim world increases such fears.

This article will first focus on what should be understood by the word integration. Secondly, the measures taken by the EU for integration will also be elaborated. Finally, the ideas proposed by a Turkish Islamic scholar Fethullah Gulen, aimed at overcoming the obstacle of integration, and creating a possible contribution to social harmony will be examined. Gulen's approach might deconstruct such fear and contribute to integration.

Integration versus Assimilation

Integration has the benefit of allowing citizens to respect other cultures, creating a sense of unity within a community. In addition, individuals that partake in multiple societies gain resources from multiple cultures, while expanding their own horizons (Berry 2017). Cultural integration is a form of cultural exchange in which one group assumes the beliefs, practices, and rituals of another group, without sacrificing the characteristics of its own culture. Assimilation is a process, through which a person forsakes his or her cultural tradition to become part of a different culture. When the UNHCR (United Nations High Commissioner for Refugees) promotes local integration of refugees, it does so in a way that suggests a full package solution, containing not only economic, but also socio-cultural aspects. Perhaps this is why

its members don't not use the word 'assimilation' to describe integration, contrary to what is contained in the 1951 convention relating to the status of refugees (UNHCR 1951). The notable difference inherent in the definition of the two words is that while the former places a demand on refugees to imbibe into the culture of the host community, obtaining its culture and identity, and contributing economically, the latter indirectly places the demand on both refugees and the host community, therefore allowing refugees to contribute economically and socio-culturally, while keeping their identity (Ager, Strang 2008).

Inter-cultural contact does not seem to be a solid policy approach for many governments, at least not on national level. In many countries the organisation of such projects is left to actors in civil society and NGOs. Whereas socio-cultural themes play a central role in the public (and political) debate on refugee integration throughout Europe, there is only limited systematic attention for socio-cultural integration as a specific part of the refugee integration strategies. Only in terms of preventing radicalisation are there some national schemes. Integration policy has its limits, and cultural integration is a task for every single member of society. Policy will be sufficient to an extent, but in fact it is everybody's job to support integration (Berlinghoff 2014).

The position of Muslim migrants appears to be half-way between the dominant values prevailing within their destination and their origins. This suggests that Muslims are not exceptionally resistant in levels of integration, as some studies suggest (Bisin et al 2008). A community is best integrated when it feels it belongs and matters. As long as economic, social and political barriers prevent individuals achieving their full potential, they will neither belong nor matter (Warsi 2017).

The IZA Expert Opinion Survey of 2007 reveals the views and experiences of stakeholders deeply involved in the ongoing integration of ethnic minorities in the EU-27. Insufficient knowledge of the official language, inadequate education, lack of information about employment opportunities, and internal barriers (social, cultural, and religious norms originating from within the respective ethnic minority), along with institutional barriers (citizenship or legal restrictions) are reported as very significant obstacles. The vast majority of experts, however, cite discrimination as the most serious barrier to the social and labour market integration of ethnic minorities. Other barriers preventing integration are a lack of experience in the host country's social context, lack of interest in integration, and competition from intra-EU migrants.

Business and non-governmental initiatives (including church initiatives) are viewed as important means of overcoming integration barriers. The experts'

suggestions to enhance integration include the following: training in self-confidence, active lobbying, cultural diversity education, elimination of institutional barriers, public attitudes and media management (promoting the benefits of immigrants on national media, challenging racism in the media). Internal barriers (social, cultural, and religious norms, immigrants' own opinions about themselves, lack of motivation and intergenerational mobility) are also serious culprits of non-integration. Low education and self-confidence, as well as cultural differences, also hinder integration (Constant et al 2008).

The immigrant integration strategy should be based on curiosity, trust, and a natural need to get to know 'the stranger'. It also needs flexibility and mechanisms of adaptation to the changing reality. An active integration policy, through civic participation, should invest in the human and social capital of immigrants and infrastructure, to ensure economic development and a high quality of life for the residents.

The Council of Europe has awarded the 2018 Innovation in Politics Award, in the Human Rights category, to the city of Gdańsk for its work on the Gdańsk Model of Immigrant Integration (EWSI 2020). The Model, proposed by Gdańsk City Council, conforms with the teachings of the Catholic Church, including the 2004 *Erga Migrantes Instruction*, the 2013 document "Welcoming Christ in Refugees and Displaced Persons", and messages for the World Day of Migrants and Refugees, including the special messages of Pope John Paul II (d.2005)¹ and Pope Francis.

¹ The message written by John Paul II in 2005 includes the following: "Integration is not presented as an assimilation that leads migrants to suppress or to forget their own cultural identity. Rather, contact with others leads to discovering their "secret", to being open to them in order to welcome their valid aspects, and thus, contribute to knowing each one better. This is a lengthy process that aims to shape societies and cultures, making them more and more a reflection of the multi-faceted gifts of God to human beings. In this process, the migrant is intent on taking the necessary steps towards social inclusion, such as learning the national language and complying with the laws and requirements at work, so as to avoid the occurrence of exasperated differentiation. In our society, characterised by the global phenomenon of migration, individuals must seek the proper balance between respect for their own identity, and recognition of that of others. Indeed, it is necessary to recognise the legitimate plurality of cultures present in a country, in harmony with the preservation of law and order, on which social peace and the freedom of citizens depend. Indeed, it is essential to exclude, on the one hand, assimilationist models that tend to transform those who are different into their own copy, and on the other, models of marginalisation of immigrants, with attitudes that can even arrive at the choice of apartheid. The way the path to take is that of genuine integration with an open outlook that refuses to solely consider the differences between immigrants and the local people" (Żelazek 2017).

Gulen's Approach to Integration

Trans-national religious and faith-based movements can play crucial roles in peacebuilding with their strong faith-based motivation, long term commitment, religious, spiritual, and moral authority, and the ability to facilitate constructive social relations between different population groupings (Stassen 1992, Thistlthwaite and Stassen 2008, Sampson and Lederach 2000, Gopin 1991).

In this section, the contribution of Fethullah Gulen's viewpoint and the movement's activities which he inspired, regarding the integration of Muslim immigrants, will be discussed.

Fethullah Gulen is a spiritual leader, as well as an advocate of peace and inter-faith dialogue (Esposito, Yilmaz 2010, Yucel and Albayrak 2014, Carroll 2007, Saritoprak 2005). He is one of the world's most influential and controversial Muslim spiritual leaders, who has inspired a major trans-national civil society movement. While he is a prominent advocate of inter-religious dialogue, he has been accused by some secularists of being a fundamentalist, with a hidden agenda to apply sharia law to Turkey, and by religious fundamentalists for compromising his religion. On the other hand, political Islamists have also accused him of being disloyal to Islam, due to his interfaith dialogue activities with non-Muslims in Turkey and abroad.

Since a failed military coup in 2016, the Erdogan regime has claimed that he was the mastermind behind it. Gulen rejects these claims pointing to his past and current activities². Many academics studying the trans-national phenomena related to the movement conclude that the participants in the movement are working towards a flexible integration of the traditional values and cultural elements with globalisation, democracy and modern social organisation (Yavuz and Esposito 2003, Esposito and Yilmaz 2010, Yucel 2010, Carroll 2017). In his sermons, Gulen promotes integration rather than assimilation. His encouragement for integration is that it is not just a theory but should also be put into practice by his admirers in the non-Muslim countries, through education, dialogue, and contributing to societies.

² Gulen has rejected claims of being behind the failed coup attempt on July 15th, 2016, as well. Speaking to the BBC from his home in the US, Gulen condemned the rebellion (BBC 2016). Erdogan has sought to divide the populace against itself by framing any political opponents as either an enemy, or as a hostile force in the country. He has claimed that Gulenist sympathisers or those who criticise his policies 'have poured the poison of disloyalty into the very arteries of our national life and these people must be punished' (Yavuz 2018).

There is a wide range of obstacles which prevents Muslim immigrants from integrating. The major obstacles are: a lack of good education of Muslim immigrants in EU standards, ghettoisation, the challenge of radicalization, and discrimination due to the current political and social conditions of the Muslim world, whilst language barriers are the major obstacles.

Gulen's views on integration can be summarised under three categories: Contribution to integration through education; avoiding historical polemics between Muslims and Christians; and overcoming obstacles through interfaith and inter-cultural dialogue, with the focus on commonalities.

Instead of building mosques, Gulen recommends the establishment of educational institutions, including secular ones. He sees ignorance as one of three great enemies, with some Muslims seeing the EU, America, and Israel as enemies and the cause of their social, political, and economic problems. Gulen indicates that the biggest enemies are, in fact, ignorance, poverty, and disunity (Gulen 1998). Since he was young, Gulen has fought against ignorance, extremism and the resulting disunity through education and dialogue. He has inspired millions to open over four thousand educational and dialogue NGOs in Turkey and abroad.

For achieving integration through education and dialogue, knowing the local language is indispensable, so he strongly recommends: "learn the language of the society you live in, get to know the people of the country you live in, do all kinds of dialogue, do not follow extremism, do not act against the politics of the state you live in. If you live this way, you will have a lot in common with the people of those countries. Leave historical polemics to historians" (Saritoprak 2005). Gulen's emphasis on education prevents ghettoisation. Educated young people find jobs, earn money, increase their self-confidence and do not have to worry about integrating into society. Ignorance causes ghettoisation.

In dealing with radicalism, Gulen emphasises the importance of tolerance and the original interpretation of Islam. He recommends learning the art of living together in a globalized world, not accepting the differences on the agenda, but standing on common points (Gulen 2011, 35). In the face of unfairness towards Islam and Muslims, Gulen prevents the radicalism by channelling synergies accumulated in Muslim young people, to benefit society (Yucel, Albayrak 2014, 34-35). Thus, that energy does not turn into hate, but rather yields useful results. Radicalism triggers discrimination. Here, it is an important role for NGOs in Europe. Governments also have responsibility in this regard.

Language is also an obstacle to integration. Today, the members of the Gulen Movement are among the best in terms of language amongst immigrants, especially

Turks. After July 15th, 2016, tens of thousands of highly educated members of the Gulen Movement migrated to Western countries, because Turkey's Erdogan regime charged all Gulen supporters with membership of a terrorist organisation without any legal basis, questioning or fair judgment. These include many professors, doctors, teachers, judges, journalists and security personnel (Wise 2017).

According to Gulen's philosophy, all Muslims and non-Muslims are brothers and sisters in humanity. All people are like the branches, fruits, leaves or flowers of the same tree (Gulen 2015). Following his own advice Gulen met with Pope Jean Paul II in February, 1998 at the Vatican. During this meeting, Gulen invited the Pope to visit Christian sacred places located in Turkey together, and proposed opening a new school of theology in Harran in south-east Turkey, where Abraham is believed to have lived for some time; to set up an inter-faith student exchange programme; and to work together, to disprove the idea of "a clash of civilisation" (Ashton, Balci 2008). However, it did not happen for unknown reasons.

Unlike many other Islamic modernist movements, including Salafism and al-Nahdah in Arabia, the Muhammadiyah movement in Indonesia, the Aligarh and Nadwa movements in India, the Gulen Movement has been characterised by mass interaction and participation at local, national, and trans-national levels. This interaction and participation have generated a global network of thousands of socio-cultural institutions, including schools, coaching centres, universities, hospitals, dialogue centres, relief organisations etc. (Mufazzal 2020). Gulen falls apart from most of the Islamic scholars. For him, Islam does not reject interaction with diverse cultures, on condition that it does not challenge the essence of Islam. For all other conditions, dialogue is not a superfluous endeavour, but an imperative which is inherent to the faith (Tedik 2007).

Based on this thought, the Gulen Movement organises intercultural, interfaith, and academic activities which take place under the sponsorships of intercultural foundations affiliated with the movement, such as the Dialogue Society in London, the Forum for Inter-cultural Dialogue in Berlin, and the Australian Intercultural Society in Melbourne, Australia³. In the vision of these NGOs, they aim to contribute to social cohesion, via their activities, which would build bridges between Muslims and non-Muslims. This is a conscientious effort on the part of the Gulen Movement followers in Western liberal democracies: to build partnerships with the non-Muslim sectors of society. While some Muslim groups encourage members and followers to emphasise their Islamic identity, the Gulen Movement

³ For the detail of their activities see www.ais.org.au

promotes the idea that Muslims should work with and within the majority society (Pewforum 2010, 4). Given that the current political climate around Islam in Australia is likely to continue, the Gulen Movement is more likely to be welcomed than shunned (Tittensor 2014).

Gulen's philosophy of integration may contribute to social harmony in the EU. Despite the severe criticism of some secularists, ultra-nationalists, political Islamists, and some religious groups in Turkey, because of inter-faith activities (Yucel 2010), he has not changed his stance about having dialogue and understanding each other for the sake of peace, integration, and minimising conflicts. Gulen argues that even "Paradise can be left for the sake of a peaceful world". His approach to "other" resembles a Sufi approach. Yucel summarises this approach as the following: A need to redefine the concept of "us" and "others" in the framework of serving others. "Us" refers to those who serve, while "others" refer to those who need to be served, which includes all people, not just Muslims, or those who have a physical need (Yucel 2017, 174). This approach minimises being judgemental towards others and narrows the gap between Muslims and non-Muslims. Through this new definition, Gulen shows the importance of a positive perception between Muslims and non-Muslims (Carroll 2007, 38). According to Gulen: "Western hostility pushes Muslims out of the era. They should not fight with the Western world, they should evaluate Western thought in the direction of the facts of the age, respect the values that are not contrary to their own spirit and meaning root, and should also help to maintain peace in the World" (Gulen et al. 1996, 42). Therefore, he considers the West not as an enemy but as a rival to compete.

In an interview by Nevval Sevindi, Gulen expressed his thoughts about joining the EU as follows: "Walking to a point with Europe in their reasonable and own conditions, by revealing our own conditions, can promise good things for our future. To this extent, accepting Europe can be called a European Muslim identity (to this extent, Europeanisation actually has no drawbacks). Today, Western democracies have presented an example of a pluralist, participatory, and economically rich society in this sense. Pluralist democracies are still facing some major challenges today, such as minority and immigrant rights, congregational demands, non-governmental organisations and pressure groups expressing quite different social demands. This means that an abstract understanding of democracy cannot overcome hidden conflicts. Democratic state understanding tries to be re-defined on the basis of pluralist and differentiated cultures and identities" (Sevindi 1997).

Gulen argues that his message is different from that of many other religious public figures around the world, because he himself engages with modernity. He

claims to present an Islamic treatise that genuinely touches on the global and universal principles of Islam by opening up to others (Sunier 2014). Gulen states that “[the ideal Muslim] is sensitive to the dignity and honour of other people as they are their own. They do not eat, they feed others. They do not live for themselves; they live to enable others to live” (Gulen 2010, 89). These moral obligations can only be applied when learned and embodied through disciplining techniques and training of the body and mind. Much of what Gulen proposes refers to the so-called ‘Golden Generation’. It is an ideal image of the perfect Muslim engaging with Islamic traditions and modernity in a new way. In Gulen’s vision, the Golden Generation is well-educated in the sciences, well-rounded in moral training, and will participate in modernity, and help to shape it (Agai 2002). However, Gulen’s view can be considered highly idealist and some would question the applicability in a highly individualistic and materialist secular society.

Mardin, Turkey could be an example for a case study area for the Gulen Movement. It has been able to mobilise Turks, Kurds, Arabs, and Assyrian Christians in Mardin, to co-operate on tackling their common problems. The city has been heavily affected by the ensuing insecurity as well as infrastructural and economic deprivations, due to conflicts between the Turkish security forces and terrorist organisations, such as the Marxist PKK and the Islamist fundamentalist Hezbollah, respectively since the early 1980s and 1990s. The ongoing conflicts and insecurity have not only deprived the city of basic infrastructures, investments and educational facilities, but also deepened the ethnic fault-lines, less so the religious ones. Against this background the affiliates of the Gulen Movement are the first NGOs which built bridges and established a network between local people from different ethnic groups in the late 1980s and onwards. This network focused on common problems facing all groups, regardless of their ethno-religious allegiance, such as the lack of education of the youth, an increasing unemployment, the youth falling prey to either the PKK or Hezbollah, and ensuing problems of terrorism and economic deprivations. The movement has not only theorised and proposed solutions to be preached about these issues, but also mobilised the local people to tackle these problems together. The local people’s co-operation seems to have yielded tangible outcomes, which has changed the earlier attitudes and practices of the ethno-religious groups in Mardin, thereby preparing the ground for fostering a participative civil society. These tangible outcomes include educational and cultural institutions, which continue to build the human capital for a stable and democratic Mardin.

The question is whether the sociological approach introduced and practiced by the Gulen Movement in Mardin, Turkey, which focuses on communal perfection

through individual perfection, and mobilises different segments of the society to tackle their common problems, putting aside their differences, is applicable to alleviating ethno-religious conflicts in diverse communities around the globe, and to fostering civil society within these communities. The field research about the impact of the movement's services in Mardin, which is not only ethno-religiously divided, but also suffers from terrorism and economic deprivations, suggests that the movement is able to create preliminary conditions for a civil society to flourish from within that community.

First, the educational facilities established and run by Turks, Arabs, and Kurds together have minimised, if not eradicated, the perception of Turk-Kurd enmity, through which the PKK has garnered popular support. Second, these institutions, be they college prep courses or cultural centres, took the unemployed youth off the streets, thus taking away the main recruitment resource for both the PKK and Hezbollah. Third, Gulen's ideas about Islam, conveyed through both human interactions and the media, have convinced the public that radicalism conflicts with the very essentials of Islam. Fourth, the Gulen Movement's solid educational services help rationality override nationalist and ethno-religious sentiments, and create a public opinion against violent means of conduct, such as terrorism. The movement's vision of dialogue, tolerance, and search for common grounds between different cultures, is what enables the movement to communicate to a wide range of different communities.

The case of Mardin has demonstrated that the Gulen Movement has been able to mobilise the individuals of Turkish, Kurdish, Arab and Assyrian origins, previously fractured and isolated from one another, to tackle their very own common problems, with their own resources. Thus the individuals organise together and pool their resources to meet common needs (Kalyoncu 2007). The movement's intercultural and inter-faith dialogue experience in Turkey had later inspired followers abroad, including those in Europe after the mid-90s.

NGOs in Europe Established by Gulen's Followers

In this section I will briefly analyse the contribution to integration of 'Forum Dialog' in Germany, 'Dialoog Haaglanden' in the Netherlands, 'Dunaj Institut Dialogu' in Poland and 'Balturka' in Lithuania. These NGOs have been established by Gulen's followers living in Europe, in order to promote understanding and to contribute to integration.

'Forum Dialog' was founded by German Muslims with a pre-dominantly Turkish migration history, whose inspiration stems from the teachings and values of Fethullah. It declares that it is not a religious or ethnic organisation. It offers assistance for all those interested in dialogue in Germany, and advocates a deeper understanding of Islam and other religions, democracy, social participation and human rights, and is opposed to the instrumentalisation of religion.

The movement's followers contribute to integration via educational institutions. The vision of integration embraced by participants of the movement is based, first and foremost, on education⁴. In the past decade, the Gulen Movement in Germany has been building an educational infrastructure that aims to improve the socioeconomic situation of residents of a Turkish background, and promote their integration into German society. With hundreds of learning centres, cultural centres, and schools operating throughout the country, it has attempted to put its ideals of "dialogue, education, and social engagement" into practice. Since much of the debate concerning integration revolves around educational policy, the work of these educational centres, has been having a quietly significant effect. This educational work is intended to convey a vision of integration that is based on a two-way exchange of cultural understanding, and to counteract the cultural stereotypes about Turks, held by many Germans. Such attitudes are increasingly difficult for many in the Turkish community to tolerate, especially the second and third generations of German-born Turks, who feel like second-class citizens in their German homeland. Thus, the vision of integration promoted by the Gulen Movement's centres is one of cultural exchange and enrichment, rather than assimilation. Despite the denials of some German officials that there are Turkish ghettos in Germany, many, if not most, Turks, live a good portion of their lives separately from native Germans. The Gulen Movement's centres are attempting to build a bridge between the two communities (Irvine 2006).

'Dialoog Haaglanden' was established by Gulen's followers in 2008 with the aim of promoting social participation, a sense of citizenship, solidarity, and respect for diversity in The Hague and its surroundings. It aims to bring people together, with dialogue activities on the one hand, and social activation on the other⁵. Their activities and projects focus on social participation, social cohesion, community spirit, citizenship, democracy, inter-cultural dialogue, peace, security, education, youth, and family. Platform INS⁶ is another organisation founded by Gulen Movement followers

⁴ For the detailed activities of Forum Dialog see <https://forumdialog.org/>

⁵ For the detailed activities of Dialoog Haaglanden see <http://www.dialooghaaglanden.nl/>

⁶ For the detailed activities of Platform INS see <https://platformins.nl/>

in the Netherlands, which focuses on inter-faith and inter-cultural dialogue. It initiated the project: 'Art of Living Together'.

'Dunaj Institut Dialogu' is an NGO established by Gulen's followers in Warsaw, Poland. The primary aims of the Dunaj are to promote understanding between Muslims and non-Muslims, by building bridges between communities, promoting cooperation, partnership, and service to society, through intercultural dialogue and discussion. Dunaj aims to encourage people to learn and study the spiritual traditions of various societies in the world, showing them respect, attention and recognition. Dunaj has published books on dialogue, organised workshops, seminars, conferences, cultural meetings, conversations, roundtables, carrier talks, social evenings, dinners, international festivals, picnics, tree planting activities, football cups, film& music nights, free cooking lessons, and speaking activities⁷.

'Balturka' was established by Gulen's followers in Vilnius, Lithuania. It aims to work together with members of Lithuanian society and foreigners in order to achieve the 'Art of Living Together'. The core of its mission is to contribute to the understanding and acceptance of different cultures. It has organised the 'Poetic Umbrella' project (under the umbrella of Lithuanian language and culture). In this project foreigners living in Lithuania, with the help of local volunteers, learn Lithuanian poems and songs, and perform for the local community during a final event⁸.

The debate about integration has been ongoing in the modern world, particularly in the West. Due to colonisation of the Muslim World since the mid-19th century, many Muslims have been migrating to Europe for different reasons. Some Europeans have seen them as an asset and symbol of wealth, while others believe them to be a threat to society. Despite all the work done by the states and NGOs, there are still major challenges for the integration of Muslims. Many theories have been developed or put into practice. In my view, Gulen's approach is to solve the problem within Islam, rather than outside of it. The problems of Muslim integration should be solved within Islamic circles. Gulen's approach seems highly idealistic, and may not be applied by the masses due to the current political issues between Erdogan's regime and the EU. However, the field experience and Gulen Movement's followers' educational activities can contribute to integration to a certain extent. It is likely that it can be a model for the EU Muslims in the future if it is empowered by the policy makers and NGOs.

How are key elements such as integration and its evolution measured? Measuring integration certainly requires a benchmark against which the outcomes may be assessed. The OECD/EU report compares the outcomes of the respective target

⁷ For the detailed activities of Dunaj Institut Dialogu see <https://www.dialoginstytut.pl/>

⁸ For the detailed activities of Balturka see <https://www.balturka.org/>

population with those of the remaining population. In other words, it compares the outcomes of immigrants with those of the native-born. To interpret the outcomes of immigrants' integration process the composition of the immigrant population must be considered. In particular, the method of entry matters a lot for the starting point. For example, are the immigrants in question refugees or labour migrants? These factors and other contextual scenarios are crucial to the proper interpretation of immigrants' actual issues and observed differences with native-born populations (OECD/EU 2018, 20). To measure whether Gulen's views affect the degree of integration of Muslim immigrants in Western countries it is necessary to carry out the measurements mentioned in this report. However, this must be a subject of another study.

Conclusions

It can be said that the Gulen Movement can contribute to integration by building civil societies as the basis of civilisation, through individual and societal empowerment. Empowerment is achieved, primarily, when the individual develops and advances his/her own skills, education, and consciousness, and secondly, when other individuals benefit from that person's charity, education, or guidance (Krause 2007).

The Gulen Movement has been running educational and dialogue activities in Bosnia, Northern Iraq, Afghanistan and the Philippines, and has been successful in mobilising the indigenous ethno-religious distinct communities to put aside their differences and co-operate together in order to tackle their common problems.

It can be concluded that examining the Gulen Movement's educational and social activities in the global conflict zones would enable us to develop strategies that may be helpful in minimising ethno-religious conflict and fostering civil society in the EU. Identifying the norms and practices that enable the movement to accomplish such an endeavour may help us identify common and effective strategies to minimise, if not eradicate, ethno-religious conflicts in general.

In this article, Gulen's approach to integration through education, dialogue, and focusing on commonalities between Muslims and non-Muslims have been discussed and a few cases have been briefly elaborated. However, it still needs a case-by-case in-depth research. Finally, it can be said that if the Gulen Movement's educational

activities are successful in war-torn countries and conflict zones, it is highly likely that its activities can widely contribute to integration and social harmony.

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ALEXANDR MACUHIN*

Overall Trends in the Migration Processes in the Republic of Moldova: the Mills of the God Grinding Slowly?

Abstract

This paper discusses the key characteristics of the migration situation and overall trends in the migration processes in the Republic of Moldova. Practically, many of the former Soviet republics were faced with serious social and economic problems. Economical systems of new post-soviet countries were ill-equipped to handle new borders and customs barriers. As the “multi-national state” was dissolved, the majority of new post-Soviet states struggled with ethnic conflicts, which triggered the first wave of the so-called “great escape” of the population. In Moldova’s case, the Transnistrian conflict was a classic example of such a civilizational crisis, the solution to which was not found to date. The first wave of the “great escape” was triggered by the hard situation of the national identity formation. The “second wave” was a reaction to an increasingly poor economic situation. Today, the formation of the “third wave of great escape” becomes increasingly more evident – perhaps the last one for the Moldavian state. This “third wave” is also connected with integrational processes, mostly in the European Union countries. The second part of the article analyses the relationship between the economic development of the Republic of Moldova and the current migration situation. In general, despite a number of positive changes, such as the reduction of the critical high level of dependence of the economy on financial remittances of Moldovan migrant workers, the level of such dependence remains very high, and the speed of development of the Moldovan economy, on the contrary, is significantly reduced. The paper concludes with four main factors that, in the author’s opinion, are critical for the analysis of the current negative migration situation in the Republic of Moldova, as well as those that may become key factors that will have a significant impact on the

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strengthening of the negative socio-economic situation in the country and the systemic crisis in the future 2035–2040.

Key words: Republic of Moldova, labor migration, remittances, GDP, demography, integration, European Union, Eastern Partnership.

JEL Classification: F22

It can be stated that the phenomenon of mass labor migration has largely become a “lifeline” for a significant percentage of the population of the former Soviet republics and the Republic of Moldova is not an exception. The unfolding global economic crisis, exacerbated by factors such as economic problems and political instability in Moldova, causes mounting economic pressure on the population. As a result, increasingly more Moldavians choose the path of labor migration or leave the country permanently to settle in other regions.

During the period when Moldova was one of the USSR republics, it was subject to union-wide laws, under which movement of the population beyond the Soviet borders was regulated through a restrictive system of exit visas. The system failed after the launch of the “perestroika” policy. One of its consequences was the liberalization of migration legislation in the field of ethnic repatriation. The changes in legislation also affected the (at that time) Moldovan Soviet Socialist Republic. The first to take advantage of the newly liberalized migration policy were mainly ethnic Jews and Germans, as well as members of their families, repatriating to Israel and Germany respectively (Mosneaga, 249). It is worth mentioning that these tendencies intensified in the first years after the Republic of Moldova gained full independence.

After 1991 and the collapse of the Soviet Union, the Republic of Moldova faced serious problems in the field of interethnic policy, given the course taken by the new government for maximum rapprochement with neighboring Romania. The basis was the geopolitical project of “Great Romania”, according to which it was supposed to create a new unitary state of “one Romanian people”. Such a political agenda was, for a variety of reasons, unacceptable both for the majority of national minorities and for a part of the new state’s majority ethnic group, which eventually led to a series of armed clashes and a territorial division of the country (called the “Transnistrian conflict”), which, however, did not turn into a conflict exclusively of an inter-ethnic nature. However, the migration consequences of the country’s split have not been fully studied, as it is no longer possible to obtain accurate data on the exact number of people who left Moldovan territory during the conflict and as a result of it. In

general, it is believed that the armed clashes on the Dniester River resulted in the outflow of a certain percentage of Moldova's population to countries such as Russia and Ukraine, and this wave of migration was most likely ethnic in nature. Besides, the post-conflict year of 1993 became the year of the most mass exodus of the Jewish diaspora of Moldova – according to various estimates, within a year the country was left by 3 to 4.5 thousand people of Jewish origin, which is more than the current number of ethnic Jews in the country, according to the latest census (Cojuchari, How Moldova became home to different peoples).

In general, it can be stated that during the formation of the independent Republic of Moldova, from 1993 to 1997, the vast majority of the migration flow (about 97% of official emigrants) was made up of people leaving for permanent residence, as a rule – under the programs of state repatriation (in the case of Israel or Germany), or in other post-Soviet states also on ethnic principle – in the case of Ukraine, Russia and partially Belarus (Poalelungi, 218).

Table 1: Main migration and economic characteristics of the Republic of Moldova following the results of 2019

Real (permanent residence) population	2,68 billion
NET migration rate (per thousand)	-15.6 migrants/1,000 population
Population under 15 years	16,04%
Medium age of the population (both genders)	38,7 years
Medium age for males	36,9 years
Medium age for females	40,3 years
Medium fertile rate	1,81 (for the live-born child)
Dependency ratio ¹ (0–14 + 65+ ages for 15–59 ages)	65,8
Official part of the financial remittances in 2019 ²	1,91 USD billion

Source: *Extended Migration Profile of the Republic of Moldova 2010–2015: Overview of Migration Trends for the Period 2005–2015*, Analytical Report, Chisinau, 2017

An organized and steadily growing process of materially motivated migration began to dominate quantitatively in the second half of the 1990s. The main reasons for this growth were the unfavorable economic situation in the country, steadily

¹ The dependency ratio is an age-population ratio of those peoples not in the labor force (ages 0–14 and 65+) and those typically in the labor force (the productive part ages 15 to 64). It is used to measure the pressure on the productive population.

² For most post-Soviet countries, where the level of financial transfers is a critical factor in GDP formation, it is worth considering the fact that there are not only official money transfer channels (banks, money transfer systems, other financial services), but also informal channels, such as direct money transfers from person to person, the use of various intermediaries and, to a lesser extent, smuggling.

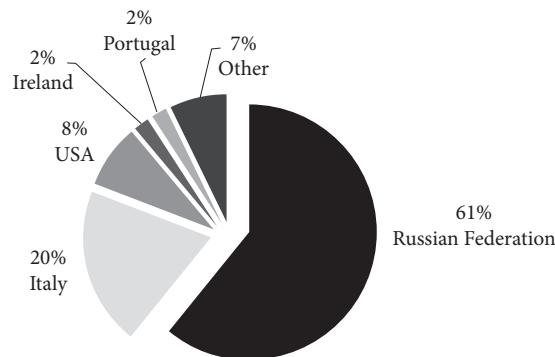
low GDP growth rates, as well as the emerging crisis of “superfluous people” caused by the general tendencies of economic contraction and liquidation of the majority of industrial and agro-industrial enterprises by the middle of the 90s, where jobs were not replaced by any alternatives. The final results of this process became apparent already in the period 1997–1998 when industrial output collapsed by 50%, agricultural output fell by 25%, and export figures also collapsed by 50% (Pantiru, Black, page 43). The default of 1998 in the Russian Federation, the traditional most important economic partner of Moldova, aggravated the economic situation in the country, pushing a considerable part of the population of the republic beyond the edge of extreme poverty. Under these conditions, the migration flows of the Moldovan population began to change – from ethnic repatriation to economically motivated migration.

The first wave of such migration was the pendular commercial migration (but not emigration, it was only a circular process), which consisted of periodic trips of Moldovan citizens to get cheap goods and their subsequent resale on the domestic market. However, by the end of the 90s, the tightening of the border crossing regime and the establishment of relative price parity led to the actual disappearance of this type of movement (Mosneaga, page 160). Due to these changes, commercial migration in Moldova has almost ceased as a species. And since 1999 and till today the basis of the whole migration flow of Moldovan citizens is labor migration – both organized and illegal.

Equally interesting is the distribution of migrants by country. In this case, we can talk about the presence of clear and stable trends in the preferences of migrants from certain countries (see Figure 1). For example, the Russian Federation is the undisputed leader in terms of the number of Moldovan migrants arriving, and Italy is also traditionally the “second place”. At the same time, it is especially important to note that according to the definition of the National Bureau of Statistics of the Republic of Moldova, a Moldovan citizen is recognized (and, accordingly, is counted) as a migrant if he spends 6 months or more outside of Moldova. Also, students, undergraduates and postgraduates arriving in other countries on student visa and educational agreements are not counted as migrants, even though some analysts believe that at least 75 percent of students abroad make every effort to stay in the country of study and obtain official status there. For a similar reason, these statistics do not show real migration flows to countries such as the United States and Canada. However, the Moldavian mass-media repeatedly raised the question that the majority of Moldovan students who travel to the U.S. for summer work and study under the

umbrella of the popular program “Work and Travel” and finally about one third of Moldovan students participating in the program will never return to Moldova again. (Investigatii.md 2008).

**Figure 1: Distribution of Moldavian immigrants by country of residence
(common medium rate for 2012–2016)**



Source: *Bilateral Estimates of Migrant Stocks Matrix in 2017*, The World Bank Group, visualized by author, <https://www.worldbank.org/en/topic/migrationremittancesdiasporaissues/brief/migration-remittances-data>

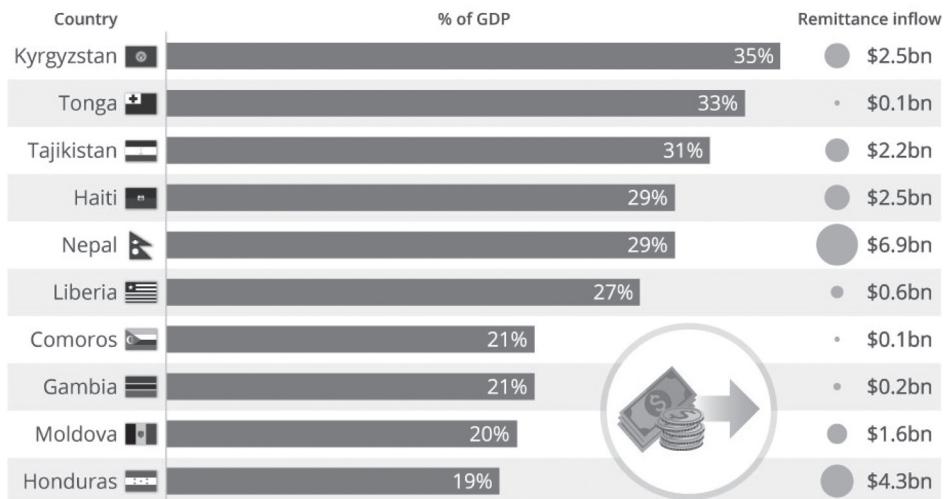
It should be noted that in statistical research in the field of migration and related problems, there are several serious methodological problems, such as the prevalence of a mechanical, descriptive approach, the lack of analysis of data obtained, and in some cases – the use of contradictory categories of research, for example, in the clear separation of the categories of “migrant”, “tourist”, “repatriate”, “student”, etc. Also, since 2013, the Moldovan press periodically publishes materials that question and seriously criticize the official data provided by the National Bureau of Statistics of the Republic of Moldova (Infotag.md 2016, Newsmaker.md 10.10.2019, Newsmaker.md 18.12.2019).

Speaking about the political and social effects of the migration situation in Moldova, it is necessary to highlight the contribution of labor migrants to the Gross Domestic Product (GDP) of Moldova, as well as the acceptable level of prosperity of all Moldovan citizens in general. Remittances from migrant workers account for at least a third of Moldova’s GDP, which in monetary terms amounted to about USD 1.4 billion in 2014, which puts Moldova in the third place in terms of dependence on remittances from abroad, among all post-Soviet republics. Only Tajikistan (about 40% of GDP) and Kyrgyzstan (about 35% of GDP) remain more dependent.

Figure 2: Proportion of remittances to annual GDP, Top-10 dependent countries at 2017

The Countries Who Depend On Remittances The Most

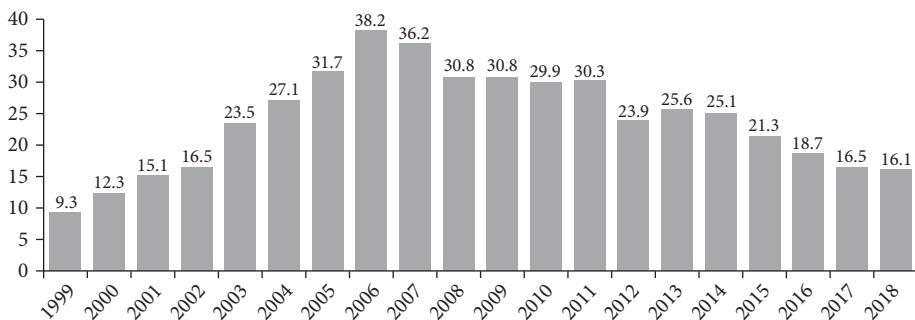
Remittance inflows as a percentage of GDP in 2017



Source: *Migration and Development Brief 29: Data and Demographics Labor Migration Return Migration and Reintegration Remittances, April 2018, World Bank Group*

As it can be seen from the presented data, the high level of dependence of the Moldovan economy on regular financial remittances is a chronic problem. In addition, it should be taken into account that the monitoring data provided by the World Bank, as a rule, do not take into account additional volumes of financial resources transported (transferred) without the participation of public banking and other financial services, whose share, according to different estimates, is additionally from 10 to 20% of official statistics amount. Moreover, the frequency and comparative volume of this kind of “invisible transfers”, both independently and through representatives of transport companies, as well as the ramified network of the Moldovan diaspora tend to increase for the traditional holidays – first of all Orthodox and Catholic Easter (April), equally for Orthodox and Catholic Christmas and New Year’s Eve (late December – early January), as well as for the beginning of the school year in Moldova (late August – early September).

Figure 3: The share of remittances in comparison with the GDP rate in Republic of Moldova GDP



Source: *National Bank of the Republic of Moldova, Graphical analysis of money transfers from abroad in favour of individuals*, <https://www.bnm.md/en/content/graphical-analysis-money-transfers-abroad-favour-individuals-december-2018>

Thus, such a serious financial dependence nevertheless allows maintaining a certain level of social stability, provided that the real level of income of the majority of the population within the country is practically not growing. Accordingly, the social role of a labor migrant within the country is changing – this status from “forced” to the social status of “respected people” who do real business because they work abroad and make a career there, as a person who left the country and returned from there with a certain amount of money (almost always tens of times more than he or she could earn inside the country) begins to be perceived as the mainstay of any family or household (Mosneaga, 46). However, there is a downside to this process, which is to increase the social stratification between “migrant” and “non-migrant” families. The understanding of the objective fact that almost no labor will allow even a relatively equal income level to that of an “average” migrant periodically leads to social conflicts. On the whole, this situation intensifies migration sentiments among the population, since the stereotype of a “successful migrant” is not opposed to any other image.

When comparing the experience of the Moldovan state with other countries in a similar situation, it can be noted that Moldova is moving almost in a beaten track of economically weak and politically unstable countries, where the main focus is on forced labor migration. At the same time, most of the income received from such migration, both by the state and individuals, is spent only on “eating” – that is, providing food, services, and entertainment, as well as stimulating retail trade. There is virtually no fundamental investment in the productive sectors of the economy through emigrant financing. In the end, it is safe to say that by the time the global

financial crisis unfolded, the Republic of Moldova had approached with an extremely inefficient social and economic model. In this model, the main source of income has already been perceived mainly as “migrant financing”, rather than income generated within the state. Other characteristics of this model are the significant excess of imports over exports (due to the development of services and retail chains) and the change in the demographic structure of the population, which is reflected in a sharp decline in fertility (especially given the fact that in some European Union member states the birth of a child in the territory of the country greatly facilitates the naturalization process for both the child and his or her parents). It should also be taken into account that mass labor migration affects not only the economic system of the state but also all social and political values in society, as well as the personal attitudes of each individual as a whole. This model of the public organization has revealed all its shortcomings with the unfolding of the global financial crisis. Thus, World Bank experts noted that any reduction in the volume and number of financial transfers very quickly affects the poverty level of the population. Margaret Marlett, the World Bank's leading economist for Moldova, said that “the global financial and economic crisis has shown that Moldova should think about another model of economic development” (World Bank, Migration and Brain Drain, 97).

This fact more actively used by right-wing and centrist parties, which launched the slogan “Veniți acasă! “(Let's return home!) At the same time, the Socialist Party, which dominates the left-wing, focused its electoral slogans even more on migration issues, issuing a series of campaign materials calling for a vote “to have the opportunity to work in Russia”. With a large part of the country's population abroad for a long time, the “migration issue” is becoming a very serious issue that is on the agenda of the majority of Moldovan political parties. This phenomenon was particularly acute during the parliamentary elections in Moldova on 30 November 2014 and the last parliamentary elections held on 24 February 2019. Thus, during the election campaign, the Party of Socialists of the Republic of Moldova, positioning itself as a pro-Russian political force, announced the existence of an agreement with the bodies of the Federal Migration Service (FMS) of Russia on the amnesty of Moldovan migrants. According to this statement, Moldovan labor migrants in Russia as of November 2014 with any irregularities could freely leave the territory of the Russian Federation and return to Moldova by the date of the elections, and then return to Russia. The pro-European parties perceived this agreement as direct Russian interference in the electoral process in Moldova, explaining this by the fact that Moldovan migrants working in Russia will vote in the elections “not for their real interests, but their place of work”. In response, pro-Russian political forces strongly

criticized the Central Election Committee for opening only three polling stations for Moldovan citizens on Russian territory, accusing it of bias in favor of the current government by limiting the right to participate in elections on political grounds (Macuhin, page 300). Thus, the opinion that the migration preferences of Moldovan citizens are associated with the preferences of purely political citizens has become more and more active.

Conclusions

This above complex of migration problems in Moldova is also aggravated by the fact that there is no clear answer to the question "how many Moldovan citizens are involved in labor migration, both legal and illegal". This is primarily due to the lack of clarity of the migration registration system in the country as a whole.

Secondly, it is connected with the integration aspirations of the majority of the country's citizens, who increasingly seek to obtain a second (or third) citizenship, most often – Romania, less often – Russia and Italy, both for personal emotional and pragmatic reasons.

The third important factor is the impossibility of technical registration of population migration across most of the eastern border of the state, controlled since 1992 by the administration of the unrecognized "Transnistrian Moldovan Republic". At the same time, there is no even information interaction between the administrative authorities of Moldova and Transnistria on the issues of accounting and statistics of people arriving and departing from the region. This cooperation was carried out with varying degrees of accuracy and efficiency until 2004, was finally discontinued and has not been renewed until today (the article was written between February and March 2020).

The fourth important factor is the systematic nature of the direct dependence of the Moldovan economy as a whole on a significant level of financial flows generated mainly by Moldovan labor emigrants. At the moment, taking into account the final statistics for the period of late 2019 – early 2020, we can speak about a certain tendency to reduce this dependence, compared to the period of mid-2000s, when in 2006 the volume of official transfers only constituted 35% of the country's GDP. However, even the current level of 15–17% of official remittances compared to the GDP of the country leaves Moldova in the TOP-20 countries of the world most dependent on remittances, which are carried out, first of all, by migrant workers. Moreover, the fact that the level of migration from Moldova is generally increasing rather than

decreasing, while the growth rate of the Moldovan economy over the last few years remains stably low, in the region of 3–4%, cannot but cause concern. A comparison of the migration rate (even taking into account the problems of accounting and statistics described above) allows to conclude that the comparative level of dependence of the Moldovan economy on Moldovan labor migrants has not changed and remains stably high today (end 2019 – beginning 2020). For example, the Moldovan media periodically discuss attempts to assess the real level of emigration from the country – it actively discusses various indicators of migration of Moldovan citizens – from 400 thousand to more than one million migrants, which is additionally used as a speculative factor, including in the political programs of various parties.

And finally, none of the currently functioning big and social representative political parties in the Republic of Moldova offered its detailed program to overcome the permanent migration crisis, which threatens to completely devastate the country and, as a consequence, highly likely may become a key factor for future development the socio-economic collapse by 2035–2040.

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The Birth and Development of the Polish Integration Policy

Abstract

The article describes the origin and current state of Polish integration policy as a part of the state migration policy. The authors provide a list of state bodies and nongovernmental organizations involved in the inclusion of immigrants into Polish society, evaluate their activities, and also declare the need to create a coherent state policy for the integration of foreigners.

Key words: Polish integration policy, Polish migration policy, integration of immigrants, the Polish Migration Forum, Caritas Polska.

JEL Classification: J18, F22, L33.

Introduction

Integration policy is one of the most important elements of a country's migration policy. However, not all European countries share this opinion. Poland is one of those countries. There are a number of possible causes for this situation. One of the main reasons is the lack of past experiences in absorbing a large number of immigrants. The current migration situation in Poland (a significant and constantly increasing influx of foreigners from Eastern Europe and Asia) makes the issue of migration policy a very pressing one.

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The purpose of this article is to analyse Polish integration policy, as well as to characterize the factors that influenced its development. The following methods were used in the article: content analysis techniques, comparative analysis and secondary data analysis. At the beginning of the article, the reasons for the current status of Polish migration (and in particular integration) policies were analysed. Next, the process of forming an integration policy based on the main regulatory documents was examined, and the characteristics of the activities of state and non-state organizations in implementing the integration policy were given. At the end of the article, it is concluded that there is no holistic integration policy in Poland and it is necessary to implement and coordinate it at the state level.

Reasons for the Lack of a Holistic Migration and Integration Policy in Poland

In Polish migration policy, the issue of migrant integration has never been a priority or even an important topic. First of all, this is due to the fact that a scenario of Poland's transformation from a country of emigration into a country of immigration seemed unlikely for a long time (Okolski 2010: 131–157). The number of arriving citizens has never been large enough for their integration to become a problem. Secondly, migration was often only seasonal: immigrants came mainly to take up short-term work and did not plan to remain in the country, and therefore did not have to be integrated into the host society.

The third reason for the lack of a holistic integration policy is that the majority of immigrants came and still come from the neighbouring countries (Belarus, Ukraine and Russia), which are historically, culturally and linguistically very close to Poland. And indeed, as practice shows, newcomers from the neighbouring countries very quickly learn the language, the sociocultural norms and, in principle, do not have any major issues with integration. At the same time, immigrants from distant countries (such as the Socialist Republic of Vietnam) are not very interested in integration programs.

The fourth, and perhaps main reason behind the lack of a uniform integration policy is the attitude of Polish state institutions and Polish citizens to the phenomenon of migration. Migrants are most often seen as an economic factor, a workforce that should help the economy solve certain problems and then return to their countries.

For these reasons, for a long time, it was considered that there was simply no need for integration policies.

The Origin of Current Polish Integration Policy

It should be noted that until recently, integration activities and programs undertaken in Poland were directed exclusively at two groups of immigrants: the first are refugees and people under subsidiary protection (since 1990, when Poland signed the Geneva Convention), the second are repatriates and their families (when the process of returning ethnic Poles to Poland began after the collapse of the USSR). However, as said above, a uniform integration policy has not even been a part of any official documents for a long time.

This state of affairs lasted until 2005, when the Ministry of Social Policy published the first official document related to the topic, entitled 'Proposals of actions aimed at creating a comprehensive foreigner integration policy in Poland' (*authors' translation*) (Propozycje Działań w Kierunku Stworzenia Kompleksowej Polityki Integracji Cudzoziemców w Polsce, 2015). This act is the first to define the concept of integration, as well as four aspects of building an appropriate policy:

- political (asylum policy, non-discrimination issues, employment, education and the place of an integration policy within a comprehensive migration policy);
- legal (creating regulations regarding the implementation of the integration policy);
- institutional (the appointment of institutions responsible for implementing the integration policy, cooperation with NGOs, organization of relevant training);
- substantive (knowledge about integration, its problems and process, types of immigrant groups and ways of supporting them) (Ibidem: 5–6).

As Kazimierz Laskus writes (Laskus 2016), 'Proposals (...)', as the first programming document, was very general in its scope, and did not describe any specific actions. Nevertheless, the act expressed the idea that an integration policy must be shaped in response to the real changes that are taking place in Polish society and must be connected with economic and political development. It is necessary to develop a uniform action plan, create appropriate institutions, issue regulatory acts, and formulate goals that the state wants to achieve with this policy. But it must also be very mobile and flexible, must answer hot questions that the changing reality creates (Propozycje Działań... 2015: 2).

This act, regardless of its general content, has become the legal basis for developing a debate on integration policy. It contained the following thesis: ‘in Poland, the number of immigrants increases every year, and their integration with Polish society is becoming more and more important. Actions in the area of foreigners’ integration policy should be adequate to the immigration policy of the Republic of Poland, which is being developed’ (*authors’ translation*) (Ibidem).

Events that took place after Poland’s accession to the EU (the massive outflow of labour force to the West, economic development, social changes) substantially changed the image of migration and societal attitudes towards migration, and became a signal that integration policy is, after all, what the Polish state needs.

Understanding this need resulted in the fact that since 2009, Poland began the implementation of first projects co-financed by the European Fund for the Integration of Third-Country Nationals (we will talk about this in detail later in this article). In addition, in 2011, a strategic document ‘The Polish Migration Policy: current state of play and further actions’ (Polityka Migracyjna Polski – Stan Obecny i Postulowane Działania, 2011) was developed by the Inter-ministerial Committee on Migration and adopted by the Council of Ministers. A part of this document was devoted to Poland’s integration policy, which emphasized the need for carefully planned actions:

‘The gradual increase in the number of immigrants in Poland makes it necessary to define a policy of integration of foreigners and their role in Polish society. An integration policy can help build coherent, compact and tolerant societies in which the immigrant population coexists harmoniously with the local population’ (*authors’ translation*) (Ibidem, 17).

One very important achievement of this document was the fact that it expressed an understanding of the need to spread the integration policy to all immigrant groups (not just refugees). The document emphasizes the key role of Polish people in the integration process, as well as the fact that the process of integration requires efforts from both government agencies and immigrants themselves:

‘Participation in integration programs should be voluntary, but a system of incentives should be introduced to encourage participation in such programs’ (*authors’ translation*) (Ibidem, 17).

The 2011 document was criticized by experts from the Republican Foundation (Fundacja Republikańska) (Andrzejewski, Gęzak, Gniadek, Groszek, Kmiec, Mazur, Sieniow, Sulkowski, Wójcik 2018) for not precisely defining the goals and tasks of the migration policy and for omitting some important issues. However, it should be noted that it was the first attempt at a structured approach to the issue of a migration policy, and it may form the basis for creating a single strategic document in the future.

However, this act ceased to apply in 2016, and a new official state strategy in this area is yet to be created. (*Ibidem*, 28)

An important attempt to create a comprehensive approach towards an integration policy was the publication of the report entitled ‘Polish Hospitality Model. Framework for a new migration policy based on common good’ (*authors’ translation*) (Andrzejewski, Gełzak, Gniadek, Groszek, Kmiec, Mazur, Sieniow, Sulkowski, Wójcik 2018) developed by the Republican Foundation and analysed above. Nevertheless, this document is only an unofficial report, a sketch presenting a certain vector of shaping the migration policy.

Institutions Responsible for Implementing the Integration Policy in Poland

According to a MIPEX (Migrant Integration Policy Index) 2015 report, where the level of conditions for immigrant integration is measured, Poland’s success in the field of integration policy is modest at best. Out of 38 countries in Europe and North America, Poland took the 32th place, however the overall scope is 43 that means “halfway favourable” in terms of MIPEX. Poland is ahead of Malta (overall scope – 39), Lithuania (38), Slovakia (38), Cyprus (36) and Latvia (34), Turkey (24) (Poland: MIPEX 2015).

Today, there is no official document that would indicate the position of the Polish government on the integration of immigrants, and there is no separate institution that would be authorized to develop this policy and be responsible for its implementation. However, there are a number of institutions dealing with various aspects of integration policy.

Governmental institutions

Pursuant to the decision of the European Committee of the Council of Ministers, from September 7, 2004, the Ministry of Family, Labour and Social Policy (MRPiPS) became the leading institution in the field of implementing integration policies. On January 11, 2005, it published the ‘Proposals for actions aimed at creating a comprehensive policy of integration of foreigners in Poland’ document mentioned above.

At present any activities related to the integration of foreigners carried out by the Ministry of Family, Labour and Social Policy, concern mainly a small group of

immigrants, which consists of people with refugee status, those granted “tolerated stay” permits or granted subsidiary protection. Compared to other EU countries, this group of people is rather small. For example, in 2018, 4,683 applications were received, of which only 185 were accepted (in addition, 219 people received subsidiary protection and 30 were granted tolerated stay permits). In the record-breaking 2013, 19,239 applications were received, of which only 213 were accepted.

The Polish integration policy towards the above-mentioned groups of migrants is implemented as individual and family integration programs. Rules for providing social assistance to foreigners are described in Chapter 5 of the Law of 12 March 2004 on Social Assistance (uniform text Journal of Laws of 2016 item 930 with further amendments).

Annual reports on the implementation of individual and family integration programs are available on the official website of the Ministry of Labour and Social Policy (Wybrane Informacje Dotyczące Pomocy Udzielanej Cudzoziemcom, 2020). In 2016, 278 refugees received social assistance benefits based on individual integration programs (including 115 from Syria, 24 from Iraq, 18 from Russia, 16 from Ukraine, 15 from Turkmenistan and 13 from Egypt). Also in 2016, 237 people were granted subsidiary protection based on integration programs (115 Russians, 61 Ukrainians and 26 Iraqis) (Świadczenia z Pomocy Społecznej Udzielane Cudzoziemcom w Roku 2016, 2016).

It is worth noting that the conditions offered to immigrants in Poland (in particular monetary social benefits – PLN 2,500.01 per person) are not particularly attractive (*Ibidem*: 5). It can be assumed that even if the state did not implement such a restrictive refugee policy (strict rules on the implementation of integration programs, a large number of applications for the recognition of refugee status being declined), it would be difficult to expect a strong wave of migration like in other, more developed EU countries, such as Sweden or Germany.

Recently in Poland the issue of integrating a much larger group of foreigners, economic migrants, has been brought to public attention. Lack of experience in this area makes Polish officials seek help in neighbouring countries. To this end, in 2017, the Department of Social Assistance and Integration at the Ministry of Family, Labour and Social Policy developed and launched implementation of the project ‘Building structures for integration for foreigners in Poland’ (*authors’ translation*) co-financed by the Asylum, Migration and Integration Fund. The project implementation period is planned for the period from April 11, 2017 to April 10, 2020. PLN 771,250.00 will be allocated to the project (including PLN 578,437.50 from the FAMI Fund) (FAMI, 2018).

Another institution authorized to deal with the issues of integration policy is the Ministry of the Interior and Administration (MSWiA), and in particular, the Committee for Migration coordinated by the Ministry, created pursuant to Regulation No. 12 of the Prime Minister of February 14, 2007 (*authors' translation*). The Migration Team members in rank of State secretaries are appointed by the ministers responsible for economy, public finance, culture and protection of national heritage, science and higher education, labour, regional development, social security, foreign affairs, etc. (Zarządzenie nr 35 Prezesa Rady Ministrów z dnia 19 marca 2018 r.). This diversity among the members of the institution indicates a large number of public policy areas related to migration, as well as the strategic role of issues that need to be addressed in the work of the aforementioned body. It should be noted, however, that 10 years after the establishment of this institution in Poland, there is still no complete official document that would define the migration and integration policy of the state and enable its consistent implementation. As a part of the Migration Team, a consultative and advisory body was created in the form of Working Group for the Integration of Foreigners. Achievements of this body included preparation of the document 'Polish Integration Policies in Relation to Foreigners: Principles and Guidelines' (*authors' translation*) (Polska polityka integracji cudzoziemców – założenia i wytyczne, 2013).

Another body of the Ministry of Interior and Administration, the Department of Analysis and Migration Policy, is responsible for cooperation in creating and implementing a migration and integration policy towards immigrants, initiating, analysing and providing opinions on draft normative acts and other documents related to the state's migration policy, gathering information on the migration situation in the country and abroad, as well as cooperation with domestic and foreign scientific and research institutions and others.

NGOs

According to international and EU law, Member States are obliged to take care of immigrants, especially in the area of satisfying their basic needs. In reality, however, it turns out that the activities of official bodies are insufficient to provide people with proper support, because they are not aware of the people's actual needs. This gap can be filled by NGOs that understand the needs of immigrants well and can act much more effectively.

Today over 100,000 NGOs are registered in the Polish REGON database. Among them, several dozen deal with the affairs of foreigners, both refugees and other migrant groups. These NGOs derive funds mainly from the EU funds: the European Social

Fund (ESF), the European Fund for the Integration of Third-Country Nationals, and the European Refugee Fund (ERF).

NGOs operate in their offices and centres, providing free services for foreigners. The general goal that NGOs are aiming at is to eliminate or at least lower social barriers on the path of integrating migrants into their new society. First – they provide consultancy and information assistance. Secondly – they provide psychological support, which is extremely important, especially at the beginning of the immigrant's journey into their new reality. In addition, the scope of NGO activities includes conducting free language courses and vocational training. They also help in finding a job and a place to live.

Because integration is a two-way process, NGOs both prepare migrants to enter a new society and prepare the society to accept new members. In the latter effort, the main tools are the dissemination of knowledge about culture, history and customs, encouraging recognition of the benefits and real threats that come from meeting different cultures and fighting against stereotypes and misinformation. In order to foster better integration and create a good social climate, NGOs organize various cultural events (culture days, film festivals, photo projects, exhibitions, meetings) and implement anti-discrimination measures.

The most active Polish NGOs which work in the field of migration are:

1. *The Polish Migration Forum* (<http://www.forummigracyjne.org>), which implements such projects as:

- ‘The Whole World in Our Classroom’ (targeted at children of 5–7 years of age, their parents and teaching staff) (The Whole World in Our Classroom 2019/2020);
- ‘My Career in Poland’ (training to help foreigners obtain legal employment or start their own business) (My Career in Poland);
- ‘I Am a Mom in Poland’ (intercultural school of childbirth and childcare for migrant women, as well as for Polish midwives who will work with foreign patients) (I Am a Mom in Poland);
- ‘From tolerance to integration’ (*authors' translation*) (applies to foreigners applying for refugee status) (Od tolerancji do integracji).

Although the organization implements many projects for foreigners, the number of participants given in reports can hardly be called impressive. For instance, only 10 women took part in the first edition of the program ‘I Am a Mom in Poland’ in 2014. In the second edition of this program in 2016 the number of participants increased, but not by much: 11 women and 26 migrant couples were given psychological help while 28 women participated parental competence workshops

(Sprawozdania z działalności). This may be due to a lack of active informational outreach about ongoing programs, or a lack of interest in the target group. However, the Forum is undoubtedly a very important organization that helps in the integration of foreigners, as it provides them with free legal advice and necessary information on many issues. Such assistance is certainly a primary element of integration, especially at the initial stage.

2. *Helsinki Foundation for Human Rights* (<http://www.hfhr.pl/en/>)

Established in 1989 on the initiative of the Helsinki Committee, the Helsinki Foundation for Human Rights is one of the best-known nongovernmental organizations working on behalf of foreigners. The Foundation's activities consist of numerous projects such as:- Human rights education programs for students, journalists and bloggers (Edukacja);

- Strategic Litigation Programme, which covers the scope of legal advice and assistance in conducting court cases regarding, among others, foreigners (Strategic Litigation Programme);
- Human Rights Film Festival 'WATCH DOCS. Human Rights in Film International Film Festival' (catalogues and tickets for the shows are free) (WATCH DOCS. Human Rights in Film International Film Festival);
- Human Rights Quarterly (*authors' translation*), a magazine featuring various articles on human rights (Kwartalnik o prawach człowieka).

In 2016, the Helsinki Foundation, with the support of the Heinrich Böll Foundation Warsaw, put out an important publication 'Foreigners in Poland. Handbook for public officials' (*authors' translation*) (Cudzoziemcy w Polsce. Podręcznik dla funkcjonariuszy publicznych, 2016), which lays out guidelines on working with refugees in Poland.

3. *Caritas Polska* (<https://www.caritas.eu/caritas-poland/>)

Caritas Polska is a charitable organization of the Polish Bishops' Conference. Caritas Polska cooperates internationally with Caritas Internationalis and Caritas Europe. It provides ad-hoc and long-term assistance to people in difficult life situations (the unemployed, homeless, sick, elderly and children from poor families), as well as immigrants and refugees, and deals with humanitarian aid for victims of wars and natural disasters. It acquires funds from philanthropists, charity institutions and organizations.

Caritas Polska projects, implemented in four voivodeships under The Asylum, Migration and Integration Fund (The Asylum, Migration and Integration Fund), are directly addressed to immigrants. Each of the projects is implemented in cooperation with the appropriate voivode. In addition to practical activities, the organization's plan is to create a strategy for the integration of third-country nationals living in different

voivodeships (*Migranci i Uchodźcy*). This is a very important step, which highlights the local governments' understanding of the need for a uniform and coherent process of the integration of foreigners.

Particular emphasis in all voivodeships will be placed on the integration of Polish and foreign children through integration programs in schools (*Witaj w naszej klasie*). An international dance band has already been created to achieve this goal in Mazovian Voivodeship (*Wspieranie integracji cudzoziemców na Mazowszu*).

4. *Centre of Migration Research* (<http://www.migracje.uw.edu.pl/en/>)

A specialized unit at the University of Warsaw that deals with interdisciplinary research on migration in Poland and the entire European Union. The academic staff of the centre consists of 9 professors and habilitated doctors, 31 PhDs and 18 members with master's degrees (data as of March 18, 2020) (CMR Staff, 2020).

The list of NGOs that contribute to improving the situation of migrants goes on and on. The most known initiatives are the Polish Red Cross, the Legal Clinics Foundation at faculties of law of Polish universities, the Perspektywa Civic Foundation (*authors' translation*) (activities for tolerance and dialogue of cultures) and many others.

Conclusions

As discussed, the vast majority of foreigners in Poland come from countries with a similar culture and common history. Accordingly, it may seem that apprehension towards issues of integration is baseless in this case. However, Poland has recently opened its borders to an increasing number of immigrants from countries with very different cultures (India, Nepal, Bangladesh, China, etc) (Statystyki 2016/2019) and should approach the development of its integration policy carefully, learning from the experiences of other Western countries and not repeating their mistakes. Furthermore, a lack of integration of even culturally close foreigners can lead to negative social effects, such as creation of a 'deep state', emergence of grey economy and various national conflicts.

In June 2016 the Information Office of the European Parliament in Poland and the Polish Institute of Public Affairs organized a conference entitled 'Migration/Reasons/Reactions' (*authors' translation*). During the conference experts repeatedly stated that Poland had no integration policy at the moment (Eksperci: Polska Nie Ma Polityki Integracyjnej, Problemem Traktowanie Uchodźców Jako Zagrożenia, 2016).

This categorical statement seemed to completely contradict the conclusion we made before when analysed the authors analysed the activities of state bodies, NGOs, and organizations created by immigrants. There are indeed many NGOs and information points in Poland. Refugees and economic migrants take part in integration programs, attend Polish-language courses, receive free legal advice, obtain social assistance (in special cases), etc. But at the same time ‘there is no integration policy in Poland’ (Eksperci: Polska Nie Ma Polityki Integracyjnej i Traktuje Uchodźców Jak Zagrożenie, 2016).

Strangely enough, it can be argued that there is no contradiction. Indeed, all of the aforementioned projects and programs are implemented in Poland in the absence of a holistic, strategic approach to an integration policy. The attitude of the Polish government is constantly changing: from acceptance of the concept of labour migration to a populist manipulation of this topic. The authorities and the media regularly introduce contradictory information regarding the number of migrants in the country and their role in its economy. However, administrative changes and numerous legal amendments do not lead to an improvement of the foreigners’ status in departments for foreigners and labour offices.

As M. Lesińska writes, ‘there is a lack of political will to increase the efforts to integrate immigrants due to the decision-makers’ position indicated earlier that settlement migration is not a desirable phenomenon from the state’s point of view. At the same time, they [decision-makers] refer to the experience of other European countries that could not cope with the call to integrate immigrants and paid for it with unrest and social divisions’ (Górny, Grabowska-Lusińska, Lesińska, Okólski 2010, 106).

Another problem is that the activities of nongovernmental organizations do not really affect the status of immigrants. As M. Lesińska writes, ‘such organizations are small and the scope of their activities is very limited, therefore they cannot become an effective pressure group, capable of initiating changes that are beneficial to them’ (*Ibidem*, 107).

Poland, unlike many European countries, has not signed the Council of Europe’s Convention on the Participation of Foreigners in Public Life at Local Level (CETS No 144, entered into force in May 1997). The result is that public authorities are not interested in immigrants because they are not potential voters. In addition, foreigners are not entitled to participate in any trade unions in Poland.

Finally – probably the most important reason for all the problems described is the fact that Poland lacks a single body that would coordinate various areas of migration policy (political, economic, legal, administrative and substantive). This situation is

the reason for the lack of a uniform migration strategy in Poland. Time will tell how the situation develops once such a strategy appears.

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Scenariusze rozwoju współpracy pomiędzy bankami i przedsiębiorstwami typu fintech w oparciu o rodzaj oferowanych usług

Abstrakt

Przedstawiony artykuł wpisuje się w tematykę innowacji technologicznych w branży finansowej. Celem tekstu jest wskazanie możliwych scenariuszy rozwoju współpracy pomiędzy bankami i przedsiębiorstwami typu fintech biorąc pod uwagę rodzaj oferowanych usług. Pierwsza część publikacji definiuje podstawowe zagadnienia związane z branżą fintech. Część druga prezentuje przegląd literatury odnoszącej się do zagadnień usług oferowanych przez banki i przedsiębiorstwa typu fintech. Natomiast w ostatniej mającej charakter empiryczny porównane zostały usługi oferowane przez firmy typu fintech i banki. Uwzględniono w niej również rozwiązania prawne zastosowane na obszarze Unii Europejskiej i Stanów Zjednoczonych. Przeprowadzona analiza pozwoliła formułować wnioski dotyczące możliwych scenariuszy rozwoju i współpracy pomiędzy bankami i przedsiębiorstwami innowacyjnych technologii finansowych na podstawie usług oferowanych przez nie. Fintech to z jednej strony nowe podmioty na rynku finansowym, mogące odebrać część rynku bankom i tym samym zachwiać równowagę systemu finansowego. Z drugiej jednak, fintech mogą okazać się swego rodzaju motorem napędowym dla banków, które przez rosnącą konkurencję będą

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zmuszone doskonalić swoje produkty, a tym samym rozpocząć współpracę z przedsiębiorstwami fintech.

Słowa kluczowe: fintech, banki, innowacje technologiczne, rynki finansowe.

Kody JEL: G15, G21, G23.

Scenarios for the Development of Cooperation Between Banks and Fintech Companies Based on the Type of Services Offered

Abstract

The presented article falls under the topic of technological innovation in the financial industry. The purpose of the article is to indicate possible scenarios for the development of cooperation between banks and fintech enterprises, taking into account the type of services offered. The first part of the publication defines the basic issues related to the fintech industry. The second part presents a review of the literature related to the issues of services offered by banks and fintech companies. However, the last part, which is empirical in character, compared services offered by fintech enterprises and banks. It also includes legal solutions applied in the European Union and the United States. The analysis allowed to draw conclusions regarding possible development and cooperation scenarios between banks and enterprises of innovative financial technologies based on the services they offer. On one hand, Fintech is new entities on the financial market that can take away part of the market from banks and thus upset the balance of the financial system. On the other hand, fintech may turn out to be a kind of driving machine for banks, which due to growing competition will be forced to improve their products and thus start cooperation with fintech companies.

Key words: fintech, banks, technological innovations, financial markets.

JEL Classification: G15, G21, G23.

Wstęp

Innowacje technologiczne w branży finansowej określane mianem fintech zyskują w ostatnich latach na popularności. Problematyka fintech wydaje się zatem istotna zarówno z punktu widzenia ich potencjalnych klientów pod względem możliwości znalezienia oferty najlepiej dopasowanej do potrzeb jak również z punktu widzenia innych instytucji finansowych konkurujących o klientów. W wielu przypadkach usługi oferowane przez przedsiębiorstwa fintech są w swojej specyfice podobne do proponowanych przez klasyczne instytucje finansowe, takie jak np. banki. Niniejszy artykuł stanowi próbę wskazania możliwych scenariuszy rozwoju współpracy pomiędzy bankami i przedsiębiorstwami typu fintech, biorąc pod uwagę rodzaj oferowanych usług.

W pierwszej części zdefiniowana została istota pojęcia fintech oraz jego etymologia, określono poziom rozwoju branży nowoczesnych technologii oraz wskazano podstawowe zagadnienia niezbędne do umiejscowienia usług oferowanych przez przedsiębiorstwa fintech na współczesnym rynku finansowym. Druga część publikacji prezentuje przegląd literatury odnoszącej się do zagadnień usług oferowanych przez banki i przedsiębiorstwa typu fintech. Ostatni rozdział ma charakter empiryczny. Dokonano w nim porównania oraz zaprezentowano najistotniejsze różnice i podobieństwa pomiędzy usługami oferowanymi przez podmioty fintech oraz banki z uwzględnieniem najważniejszych rozwiązań prawnych.

Przedstawienie pojęcia „fintech”

Etymologia pojęcia *fintech* odnosi się do angielskiego określenia *financial technology*, które określa wszelkiego typu innowacje technologiczne w obszarze finansów. W literaturze stosuje się także pisownię *FinTech* lub *Fintech*, których znaczenie jest dokładnie takie samo. Pojęcie *fintech* jest również używane do określania podmiotów działających w obszarze technologii finansowych, czyli oferujących innowacyjne rozwiązania dla sektora finansowego dotyczące usług oraz instrumentów finansowych. Takie podmioty tworzą, rozwijają i wykorzystują nowe technologie oraz różnego rodzaju innowacje w szeroko rozumianych usługach finansowych. Mogą one także współpracować z tradycyjnymi podmiotami rynkowymi poprzez świadczenie dla

nich usług finansowych, jak również z nimi konkurować. Analogicznie funkcjonują określenia z innych obszarów związanych z finansami (Bundesbank 2019):

- InsurTech – dotyczy innowacyjnych technologii w branży ubezpieczeniowej,
- WealthTech – odnosi się do dziedziny zarządzania aktywami,
- PayTech – dotyczy płatności.

Analiza literatury naukowej na temat definicji pojęcia *fintech* pozwala wyróżnić dwa podstawowe sposoby rozumienia tego terminu (Harasim, Mitręga-Niestrój 2018, 171–172):

- jako wykorzystanie nowoczesnej technologii do świadczenia usług finansowych, które można określić mianem podejścia przedmiotowego,
- jako nową branżę, w tym przypadku jest to podejście instytucjonalne bądź podmiotowe.

Na tej podstawie pojęcie *fintech* można interpretować w ujęciu szerokim oraz wąskim. Szerokie ujęcie oznacza wykorzystanie innowacyjnych technologii w celu bardziej efektywnego świadczenia dotychczasowych usług finansowych i kreowania nowych. Dzięki temu zostaje stworzona możliwość dostarczania klientom nowej wartości. Taka definicja *fintech* nie zawęża zakresu podmiotowego tego pojęcia i może mieć zastosowanie zarówno do tradycyjnych dostawców usług finansowych, jak i do nowych podmiotów, takich jak np. firmy technologiczne. Wąskie ujęcie wykorzystuje podejście podmiotowe i oznacza branżę usług finansowych tworzoną przez podmioty niebędące tradycyjnymi dostawcami usług finansowych, wykorzystujące innowacyjne technologie w celu bardziej efektywnego świadczenia dotychczasowych usług finansowych i kreowania nowych, co także umożliwia dostarczenie klientom nowej wartości. Takie ujęcie pozwala na rozróżnienie tradycyjnych dostawców usług finansowych (np. banki i inne instytucje finansowe) i nowych, którzy zwykle nie oferują kompleksowych usług finansowych, ale specjalizują się w dostarczaniu wybranych usług lub obsłudze określonych faz procesu ich świadczenia. Mają one często inne, bardziej elastyczne modele biznesowe niż tradycyjnie pojmowani uczestnicy rynku finansowego (Harasim, Mitręga-Niestrój 2018, 173).

Według definicji Komisji Nadzoru Finansowego *fintech* (Financial Technology) to sektor podmiotów wykorzystujących nowoczesne technologie informatyczne w obszarze usług finansowych (KNF, 2019). Według innej definicji, pojęciem *fintech* określane są firmy technologiczne, wykorzystujące technologie ICT do świadczenia usług finansowych, stanowiące nową kategorię parabanków, która konkuruje lub współpracuje w ramach łańcucha wartości z instytucjami działającymi na podstawie zezwolenia, tj. z bankami, instytucjami ubezpieczeniowymi, firmami inwestycyjnymi,

instytucjami płatniczymi czy instytucjami pieniądza elektronicznego (Szpringer 2017a, 170).

Pomimo rosnącego zainteresowania tematyką *fintech*, jak dotąd nie ma jednoznacznego i formalnego zdefiniowania opisywanego pojęcia, które – w zależności od kontekstu – może być rozpatrywane przedmiotowo lub podmiotowo. W związku z tym, w teorii finansów można napotkać różnorodne określenia oraz zakresy znaczeniowe pojęcia *fintech*. Potrzeba jego zdefiniowania wynika z następujących przesłanek (Harasim, Mitręga-Niestrój 2018, 171–173):

- Zgłaszą ją regulatorzy rynku i organy nadzorcze. Podmioty z sektora *fintech* nie podlegają restrykcyjnym regulacjom dotyczącym płynności, ryzyka czy bezpieczeństwa, jakie zostały nałożone na banki oraz inne tradycyjne instytucje finansowe.
- Podmioty zaliczane do tego sektora dostarczają konsumentom usługi finansowe o coraz większej wartości. Wiele z nich obsługuje konsumentów niemających dotąd dostępu do usług finansowych, często posiadających niski poziom wiedzy i umiejętności w obszarze finansów, a większość firm *fintech* nie należy do sektora regulowanego, co skutkuje niższym poziomem ochrony konsumentów korzystających z oferowanych przez nie usług.
- Rosnąca potrzeba naukowej analizy zjawiska *fintech* wymaga jego zdefiniowania oraz identyfikacji zakresu znaczeniowego.

Reasumując, ujęcie przedmiotowe *fintech* odnosi się do możliwości wykorzystywania nowoczesnych technologii w branży finansowej i oznacza łączenie usług finansowych, cyfrowych i coraz bardziej zindywidualizowanych technologii w większym stopniu wykorzystujących bazy danych Big Data. Obejmuje także nowe formy płatności mobilnych, wirtualne waluty (np. Bitcoin), zaawansowaną bankowość transakcyjną i relacyjną B2C i B2B, a także innowacje w dziedzinie funduszy inwestycyjnych oraz zarządzania danymi i bazami danych.

Ujęcie podmiotowe określa uczestników rynku finansowego wykorzystujących te możliwości. Zalicza się do niego podmioty z sektora „bankowości cienia” (*shadow banking*), czyli spółki on-line niebędące bankami, instytucje ubezpieczeniowe, firmy inwestycyjne czy instytucje płatnicze, które nie weszłyby w rolę banku. Rozwiązania *fintech* mogą być oferowane samodzielnie przez takie podmioty jak innowacyjne start-upy, czy dojrzałe instytucje finansowe o ugruntowanej pozycji rynkowej (Widawski, Brakoniecki 2016, 6).

W dalszej części pracy pojęcie *fintech* będzie przedstawiane w ujęciu przedmiotowym. Praktyka gospodarcza pokazuje, że przedsiębiorstwa działające w obszarze *fintech* stanowią coraz częściej uzupełnienie oferty bankowej, a nawet w niektórych

przypadkach będąc jej substytutem. Pozwalają na zaspokojenie potrzeb klientów w zakresie finansów poprzez wykorzystanie nowoczesnych rozwiązań technologicznych. Podmioty *fintech* zapewne będą także coraz częściej podejmować próby konkurowania z bankami, lecz powodzenie takich działań jest determinowane społecznym odbiorem takich podmiotów. W szczególności zaufaniem, reputacją, wiarygodnością na rynku finansowym. Obecnie w tych obszarach dominuje bankowość, lecz globalne kryzysy finansowe ukazują wiele błędów popełnianych przez przedsiębiorstwa bankowe, co nie pozostaje bez wpływu na ich odbiór w społeczeństwie. Takie sytuacje stwarzają szanse dla podmiotów *fintech*, które nie posiadając negatywnego bagażu doświadczeń rynkowych oraz stosując innowacyjne technologie w obszarze finansów, mogą umacniać swoją pozycję rynkową, ale także stanowić bezpieczną alternatywę wobec banków (Świeszczał 2017, 144). Powszechnie uważa się, że przedsiębiorstwa działające na rynku finansowym w obszarze *fintech* stanowią nową, szczególną kategorię parabanków, których charakterystyką jest fakt wykorzystywania nowoczesnych technologii do projektowania i świadczenia usług. Stało się to możliwe dzięki internetowi, cyfryzacji, konwergencji mediów elektronicznych, interoperacyjności i kompatybilności sprzętu oraz oprogramowania.

Wszystko to powoduje, że podmioty *fintech* kreują nowe możliwości w celu zmiany sektora finansowego, a także kwestionują współczesne modele biznesowe, usługi oraz regulacje. Firmy *fintech* oferują wiele alternatywnych sposobów dostępu do różnorodnych usług finansowych – od przelewów online po kompleksowe planowanie finansowe (Szpringer 2017, 3–4). Do innych efektów działania podmiotów *fintech* zalicza się: kreowanie nowych produktów/usług, usprawnianie procesów, stylizowanie konkurencji, redukcję kosztów czy zmianę modeli biznesowych (Harasim, Mitręga-Niestrój 2018, 173).

Przedsiębiorstwa typu fintech realizujące usługi bankowe przyjmują zazwyczaj jeden z następujących modeli funkcjonowania: broker kredytowy, pożyczki społecznościowe, usługi płatnicze sensu stricto lub usługi płatnicze powiązane z działalnością depozytowo kredytową (Conkarta, 2020). Przykładem przedsiębiorstwa fintech funkcjonującego jako broker kredytowy jest spółka Kabbage. Firma w swojej działalności koncentruje się na dostarczaniu małym przedsiębiorstwom kapitału w kwotach do 250 000 dolarów amerykańskich. Zainteresowane przedsiębiorstwo składa wniosek za pomocą aplikacji mobilnej, następnie firma Kabbage podejmuje decyzję o możliwej kwocie pożyczki (Kabbage, 2019). Przykładem spółki działającej w modelu pożyczek społecznościowych jest natomiast Fellow Finance. Przedsiębiorstwo kojarzy ze sobą pożyczkodawców i pożyczkobiorców. Pożyczkodawcy otrzymują comiesięczne, stałe zyski, a jednocześnie w przypadku problemów ze spłatą inwestycji istnieje możli-

wość jej sprzedaży za określony z góry procent ustalany w zależności od rynku, na którym pożyczka została zaciągnięta. Pożyczkobiorca ma za to możliwość uzyskania pożyczki niżzej oprocentowanej niż w banku (Fellow Finance, 2019). Przedsiębiorstwo Transferwise jest przykładem firmy zajmującej się usługami płatniczymi *sensu stricto*, umożliwia ono swoim użytkownikom wymianę walut po korzystnych kursach nieznacznie różniących się od kursów rynku międzybankowego (TransferWise, 2019). Przykładem przedsiębiorstwa działającego w modelu usług płatniczych powiązanych z działalnością depozytowo-kredytową jest spółka Klarna, która umożliwia klientom sklepów internetowych płacenie za zamówiony towar dopiero po jego otrzymaniu (Forbes, 2020).

Utrudnieniem dla funkcjonowania przedsiębiorstw typu fintech jest fakt, iż same nie mogą wykonywać części usług bankowych. Usługi zarezerwowane wyłącznie dla banków, określone na przykładzie polskiej ustawy Prawo Bankowe jako czynności bankowe *sensu stricto* to między innymi: przyjmowanie wkładów pieniężnych płatnych na żądanie lub z nadaniem oznaczonego terminu, a także prowadzenie rachunków tych wkładów, prowadzenie innych rachunków bankowych, udzielanie kredytów, udzielanie i potwierdzanie gwarancji bankowych oraz otwieranie i potwierdzanie akredytów, emitowanie bankowych papierów wartościowych, przeprowadzanie bankowych rozliczeń pieniężnych (Ofiarski 2013, 104–105).

Działalność przedsiębiorstw typu fintech różni się w swojej istocie od działalności instytucji bankowych. Do głównych cech przedsiębiorstw typu fintech zaliczyć należy:

- oferowanie mniej skomplikowanych usług niż te oferowane przez instytucje tradycyjne,
- wykorzystywanie rozproszonych danych z wielu źródeł,
- dużą dostępność,
- wysoki poziom elastyczności i dostosowania do zmieniających się warunków rynkowych,
- wysoki poziom wygody dla klientów wynikający z prostszych niż w bankowości procedur,
- brak konieczności wykorzystania rozbudowanej infrastruktury, co przekłada się na niższe koszty operacyjne,
- pełnienie roli pośrednika w obrocie pieniężnym,
- niższy poziom formalizacji rynku i brak ostrych regulacji prawnych takich jak np. prawo bankowe (Kredyt Market, 2019).

Branża fintechowa jest w Polsce w początkowym stadium rozwoju, lecz w krajach o bardziej liberalnych regulacjach prawnych w dziedzinie finansów stanowi poważną konkurencję dla sektora bankowego. Na gruncie lokalnym istotny jest także fakt,

że polski sektor bankowy jest nowoczesny w porównaniu z sektorami bankowymi innych państw Unii Europejskiej dzięki zaawansowanym systemom IT i właśnie dla tego w Polsce wdrażane są innowacje płatnicze. W związku z tym podmioty sektora *fintech* w naszym kraju dążą do nawiązania współpracy z bankami, a nowe regulacje prawne wpłyną na dalszy jego rozwój w Polsce (Grzywacz, Jagodzińska-Komar 2018, 159). Jednocześnie łatwość dostępu do rynku *fintech* powoduje, że problematyka regulacji prawnych budzi niepokój instytucji finansowych oraz organów nadzoru nad rynkiem finansowym.

Dynamika zmian rynkowych w obszarze finansów obserwowana w ostatnim czasie nie ogranicza zakresu znaczeniowego *fintech*. Oznacza to, że ewoluujący rynek może wykreować nowe obszary działalności tych podmiotów, co spowoduje nadanie pojęciu *fintech* nowych zakresów znaczeniowych adekwatnych do spektrum usług świadczonych przez innowacyjne podmioty działające w obszarze finansów.

Przegląd literatury odnoszącej się do zagadnień usług oferowanych przez banki i przedsiębiorstwa typu fintech

Problematyka fintech oraz usług oferowanych przez tego typu podmioty w odniesieniu do bankowości była poruszana w wielu publikacjach naukowych. Do analizowanej tematyki nawiązywali między innymi: Anjan Thakor w artykule *pt. Fintech and banking: What do we know?*, Jacek Grzywacz i Ewa Jagodzińska-Komar w artykule *pt. Rola sektora FinTech w rozwoju bankowości w Polsce*, Inna Romānova i Marina Kudinska w artykule *pt. Banking and Fintech: A Challenge or Opportunity?*, Giorgio Barba Navaretti, Giacomo Calzolari, Alberto Franco Pozzolo w artykule *pt. Fintech and Banking. Friends or Foes?*, Krzysztof Świeczak w artykule *pt. Zaufanie w świecie finansów w obliczu rozwoju technologii na przykładzie banków i sektora FinTech* oraz Jakub Górką w artykule *pt. FinTech w gospodarce współdzielenia-equilibrium współpracy i konkurencji*.

Thakor w swoim artykule zaprezentował cztery obszary, w których zastosowanie znajdują innowacje finansowe oraz możliwe konsekwencje ich wystąpienia. Zaliczył do nich: (1) usługi depozytowe, kredytowe, oraz inne formy pozyskiwania kapitału typu P2P, (2) płatności, usługi rozliczeniowe i rozrachunkowe, w tym również kryptowaluty, (3) usługi zarządzania inwestycjami oraz (4) ubezpieczenia. W artykule autor udzielił również odpowiedzi na cztery pytania związane z wpływem fintech

na banki. Pierwsze odnosiło się do zmian, jakie są konieczne w teoriach pośrednicstwa finansowego, aby zostało ono dostosowane do przedsiębiorstw fintech. W tym przypadku najważniejsze będzie budowanie zaufania klientów wobec nowych podmiotów. Drugie z pytań dotyczyło wpływu fintech na rynki kredytowe, depozytowe oraz inne związane z pozyskiwaniem kapitału. Według autora, sieci peer to peer nie zastąpią banków, jednak zredukują ich udział w rynku, gdyż banki mają ograniczenia kapitałowe. Wniosek ten uznany został jednak za niepewny, gdyż banki mogą również przejmować platformy peer to peer, tworzyć własne lub współpracować z przedsiębiorstwami oferującymi tego typu usługi. Trzecie pytanie odnosiło się do wpływu fintech na system płatności. Odpowiadając na nie autor zwrócił uwagę na destrukcyjną rolę rozwiązań fintech, które poprzez wykreowanie nowych instrumentów rynku pieniężnego będą w stanie wywierać znaczący wpływ na politykę pieniężną banków centralnych oraz przyspieszyć wyparcie gotówki przez waluty cyfrowe. Ostatnie z pytań dotyczyło wpływu tzw. inteligentnych kontraktów na rynek finansowy. Według autora, zmieniają one stosowane obecnie kontrakty finansowe, nie można jednak stwierdzić, jaki kształt przybiorą ostatecznie. A także, w jaki sposób te zmiany wpłyną na transakcje z wykorzystaniem tradycyjnych papierów wartościowych (Thakor 2019).

Trzy kolejne artykuły wpisują się w tematykę określenia wpływu branży fintech na zmiany w bankowości. Grzywacz i Jagodzińska-Komar w swoim artykule przeanalizowali, w jaki sposób rozwój branży fintech wpłynął na rozwój bankowości w Polsce. Autorzy na podstawie analizy współpracy banków z przedsiębiorstwami fintech w sferze usług bankowości wirtualnej wykazali, że banki podążają w stronę wejścia w erę tzw. bankowości 3.0 (King 2012). Na podstawie przeprowadzonej analizy autorzy doszli do wniosków, iż branża fintech poprzez ścisłą współpracę z bankami będzie miał wpływ na rozwój bankowości, a niektóre banki już obecnie są traktowane jako jego część (Grzywacz, Jagodzińska-Komar 2019, 77–88). Podobnej analizy wpływu fintech na banki podjęli się Navaretti, Calzolari i Pozzolo. W tym przypadku autorzy nie zawęzili jednak swoich rozważań wyłącznie do określonego obszaru geograficznego. W celu odpowiedzenia na pytanie, czy banki i przedsiębiorstwa fintech będą ze sobą współpracować, analizie poddano trzy główne aspekty: strukturę finansowania i przychodów, trwałość asortymentu, a także rolę regulacji. Badanie pozwoliło na wyciągnięcie wniosków głoszących, iż przedsiębiorstwa fintech mogą ułatwić dostęp do usług finansowych, pobudzając jednocześnie konkurencję. Według autorów, banki, aby przetrwać, będą musiały stawić czoła rosnącej presji ze strony konkurencji i zmodyfikować bieżące bądź przyjąć nowe strategie funkcjonowania (Navaretti i in. 2018, 9–30). Wzrost konkurencji w zakresie produktów finansowych wywołany rosnącym

znaczeniem rozwiązań oferowanych przez przedsiębiorstwa typu fintech potwierdzają również wyniki badań Romanowej i Kudinskiej. Autorki dokonały obszernej analizy najnowszych trendów w branży finansowej na podstawie danych uzyskanych z ankiet przeprowadzonych w Europie oraz Stanach Zjednoczonych. Ich zdaniem, szybki rozwój rynku usług oferowanych przez przedsiębiorstwa fintech będzie wymagał od banków zwiększenia inwestycji w podobne rozwiązania, jak również dogłębnej analizy kanałów dystrybucji, a także większej niż dotychczas standaryzacji usług typu back office (Romanova, Kudinska 2016, 21–35).

Świeszczał w swoim artykule dokonał analizy zaufania do podmiotów fintech oraz banków. Na podstawie przeprowadzonych badań ankietowych autor wykazał, iż poziom zaufania do banków będących jednocześnie instytucjami o ugruntowanej pozycji na rynku jest zdecydowanie większy niż do podmiotów nietradycyjnych takich, jak niebędące bankami przedsiębiorstwa oferujące innowacyjne usługi finansowe. Wyniki badań pokazały również, iż klienci mający pozytywne doświadczenie wynikające z wcześniejszych interakcji z podmiotami z obu wymienionych grup charakteryzują się większym poziomem zaufania do podmiotów nietradycyjnych. Jednocześnie elementy przewagi konkurencyjnej podmiotów fintech, takie jak np. niskie opłaty czy spersonalizowana oferta, nie są wystarczające, aby przekonać klientów do zerwania relacji z podmiotami bankowymi (Świeszczał 2017, 143–158).

Artykuł Górkę poświęcony został natomiast analizie potencjału przedsiębiorstw typu fintech oraz czynników wpływających na konkurencję na rynku usług finansowych. Autor zaprezentował w nim mocne strony usług oferowanych przez przedsiębiorstwa fintech, do których zaliczył: elastyczność, brak znacznego uregulowania, jakie występuje w przypadku banków, usługi dostosowane do potrzeb klienta, usługi dostarczane online, niskie opłaty i prowizje oraz marketing skierowany do klientów nastawionych na innowacje. Według autora, te cechy stanowią wartość dodaną, która jednocześnie sprawia, że mogą one być atrakcyjne dla banków pod względem ewentualnej współpracy lub przejęcia przedsiębiorstw fintech (Górka 2018, 149–158).

Porównanie usług typu fintech i usług bankowych

W części empirycznej pracy zastosowanie znalazła metoda analogii zaliczana do grupy metod porównawczych (Krzeczkowski 2015, 95–96). Procedura badawcza składała się z trzech etapów. 1. Cechy usług typu fintech i usług bankowych wyodrębnione na podstawie analizy literatury przedmiotu zostały ze sobą zestawione i porównane. 2. Następnie wyodrębnione zostały dwa pytania badawcze odnoszące

się do analizowanych usług. 3. Znalezienie odpowiedzi na wskazane pytania badawcze pozwoliło na wyciągnięcie wniosków i zrealizowanie celu badawczego przedstawionego artykułu.

Ciągły rozwój nowoczesnych technologii ma bezpośredni wpływ na sposób funkcjonowania całego sektora finansowego, w tym także na banki oraz przedsiębiorstwa typu fintech (Szambelańczyk i in. 2017, 143–144). Jednym ze skutków tego rozwoju jest stale rosnąca konkurencja pomiędzy instytucjami bankowymi oraz podmiotami typu fintech. Pomimo tego, że obie instytucje działają w sferze usług finansowych, każda z nich charakteryzuje się nieco innymi cechami. Instytucje bankowe posiadają ugruntowaną pozycję rynkową oraz cechują się określona wiarygodnością oferowanych produktów. Natomiast instytucje typu fintech starają się wychodzić naprzeciw potrzebom przedsiębiorstw, oferując mniej skomplikowane usługi i w ten sposób budować silne relacje i zaufanie klientów. Czy jednak usługi oferowane przez podmioty typu fintech są takie same jak usługi instytucji bankowych? Jak bardzo działalność typu fintech jest zbliżona do działalności bankowej? Znalezienie odpowiedzi na te pytania pozwoli przybliżyć się do wskazania możliwych scenariuszy rozwoju współpracy pomiędzy fintech a bankami. Różnice w usługach oferowanych przez banki oraz podmioty typu FinTech prezentuje tabela 1.

Tabela 1: Porównanie usług oferowanych przez banki i podmioty typu FinTech

FinTech	Banki
1. zazwyczaj oferują jedną konkretną usługę (oferowaną przez tradycyjne instytucje finansowe) tzw. "unbundling banking" – rozdzielenie bankowości,	1. banki oferują zazwyczaj wachlarz usług finansowych w ramach funkcjonujących typów banków np. banki uniwersalne, banki wyspecjalizowane (hipoteczne, inwestycyjne),
2. duża elastyczność, produkt stworzony w celu wypełnienia luki w usługach finansowych,	2. mała elastyczność, raczej standardowy wachlarz oferowanych produktów,
3. produkt działający w oparciu o nowe technologie,	3. produkt działający w oparciu o starsze systemy, wolniejsze przystosowanie do nowych technologii niż fintechy,
4. stosunkowo niskie wymagania od klienta aby mógł otrzymać produkt,	4. stosunkowo wysokie wymagania od klienta aby mógł otrzymać produkt,
5. prostota oferowanych produktów,	5. często niejasne i skomplikowane produkty,
6. produkty szybko i łatwo dostępne,	6. czasochłonność realizowanych usług ze względu np. na konieczność szczegółowej weryfikacji danych klienta,
7. duża wygoda obsługi produktu – bez dużej ilości papierów, bez wizyt w oddziale.	7. ograniczona wygoda obsługi niektórych produktów – często konieczność wizyty w oddziale banku.

Źródło: opracowanie na podstawie Kredyt Market 2019 oraz Conkarta 2020.

Jak widać na podstawie tabeli 1, produkty oferowane przez podmioty typu fintech obecnie istnieją już na rynku finansowym. Nie są one jednak tylko powieleniem istniejących produktów. Odróżniają się bowiem znacznie łatwiejszą dostępnością oraz działając w oparciu o nowe technologie, co sprawia, że są proste w obsłudze i tym samym bardziej przyjazne użytkownikom. Kolejną cechą usług oferowanych przez fintech jest fakt, że do znanych produktów dodają nowe ogniska – w ten sposób zwiększały łącznych wartości danego produktu (Conkarta, 2020). Przewagą produktów oferowanych przez banki jest jednak znacznie większa wiarygodność instytucji bankowych i tym samym ugruntowana pozycja na rynku ciesząca się większym zaufaniem klientów. Warto natomiast zwrócić uwagę na fakt, że regulacje finansowe dotyczące oferowanych usług przez fintech są znacznie mniej rygorystyczne niż te obowiązujące banki.

Nie ulega jednak wątpliwości, że fintech, aczkolwiek jeszcze znacznie mniejsze, stają się niejako konkurencją dla bankowości. Firmy fintech przedują w coraz to nowszych rozwiązańach technologicznych dotyczących sektora finansowego. Tym samym, wymuszają na bankach weryfikację ich modeli biznesowych. Ciągły wzrost liczby firm typu fintech (wartość inwestycji FinTech w roku 2015 wzrosła globalnie o 201%, podczas gdy wzrost wszystkich średnio i długoterminowych inwestycji w przedsiębiorstwa niepubliczne, znajdujące się we wczesnych fazach rozwoju (ang. *venture capital* wyniósł w tym samym okresie tylko 63%) (Mrozowski 2018, 197–211) wymusza na bankach ciągle poszukiwanie nowych rozwiązań technologicznych, które nadążają za nowinkami oferowanymi przez fintech. Od lat banki stosowały modele działalności zbliżone do siebie i niezmienne oferowały powszechnie znane produkty. Takie działanie zapewniało im stabilne funkcjonowanie oraz zyskowność. Efektywność nowych modeli została jednak zachwiana wraz z pojawiением się firm typu fintech, co wymusiło na bankach nowe procesy ciągłego doskonalenia. Jednak przed fintech także stawiane są coraz to większe wymagania związane z restrykcjami prawnymi, co może doprowadzić do utrudnienia dostępności produktów oferowanych przez fintech (Szpringer 2016, 8). Tak więc, wydaje się, że oba podmioty chcąc rozwijać swoje usługi oraz dostarczać klientom nowe, dopasowane do obecnej rzeczywistości rozwiązania, będą musiały zacząć współpracować.

Jak więc obecnie wyglądają regulacje Unii Europejskiej oraz Stanów Zjednoczonych dotyczące prowadzonej działalności fintech (jaką jest oferowanie produktów finansowych). Jeżeli chodzi o Unię Europejską można zaobserwować rozwój regulacji dotyczących działalności fintech. Komisja Europejska w marcu 2018 przedstawiła Plan Akcji dla Fintech, w którym zawarła propozycję działań dotyczących ciągłego

wzrost innowacji w sektorze finansowym (Newtech, 2020). Działania te miałyby polegać między innymi na:

- przeglądzie wszystkich istniejących regulacji,
- posunięciach związanych z tworzeniem standardów dla fintech,
- zmianie przepisów dotyczących crowdfundingu inwestycyjnego i pożyczkowego, uregulowaniu ram dla kryptowalut,
- regulacjach przepisów o usługach chmurowych,
- ocenie rozwoju innowacyjności w sektorze finansów pod kątem istniejących przeszkód regulacyjnych,
- powołaniu Eu Fintech Lab z organami nadzorczymi państw członkowskich

Nie tylko Komisja Europejska podjęła temat regulacji przepisów dotyczących działalności finansowej fintech. Także Europejski Urząd Nadzoru Bankowego przyjął szereg regulacji dotyczących działalności fintech. W marcu 2018 przyjął „Mapę Drogową dla FinTech”, gdzie wskazał kluczowe kwestie podlegające obserwacji w latach 2018–2019 (PWC, 2020):

- licencjonowanie firm z branży fintech,
- analiza wpływu rozwoju instytucji typu fintech na sektor finansowy – możliwości i zagrożeń,
- cyberbezpieczeństwo,
- regulacje kryptowalut,
- sprawy konsumenckie pojawiające się w wyniku działalności fintech.

Nie tylko Unia Europejska podjęła kroki dotyczące regulacji działalności finansowej fintech. Także Stany Zjednoczone wystąpiły z inicjatywą uregulowania tej kwestii. W USA fintech mogły oferować swoje produkty finansowe w oparciu o lokalne, czyli stanowe regulacje. OCC (US Office of the Comptroller of the Currency) ogłosiło jednak wprowadzenie pewnego typu federalnej licencji bankowej, o jaką będą mogły starać się fintech. Licencja ta funkcjonować ma jako zezwolenie do wykonywania pewnych czynności bankowych (czyli oferowania pewnego rodzaju produktów finansowych). Natomiast firmy, które taką licencję otrzymają, podlegać będą specjalnemu nadzorowi, a ponadto zobowiązane zostaną do przedstawiania planów awaryjnych na wypadek zdarzeń zagrażających ciągłości działalności. Licencja nie będzie dotyczyć jednak wkładów przyjmowanych od klientów (Bankier, 2020). W związku z działaniami próbującymi uregulować działalność fintech w USA pojawiają się jednak spore problemy. W październiku 2018 roku Amerykański organ nadzoru bankowego zaskarzył do sądu decyzję rządu federalnego w sprawie wpisania amerykańskich podmiotów typu fintech na krajową listę bankową. Uznał ją, bowiem za niekonstytucyjną i szkodliwą dla podatników (Fintek, 2020).

Wnioski

Pomimo tego, że fintech są stosunkowo nowymi podmiotami oferującymi produkty finansowe, można przypuszczać, iż będą przyciągać dużą liczbę klientów. Oferowane przez fintech produkty są bowiem konstruowane w oparciu o nowe technologie i, tym samym, znacznie łatwiejsze w obsłudze niż dostarczane dotychczas przez banki. Ponadto, dostęp do produktów fintech jest znacznie łatwiejszy niż do produktów bankowych (brak wielu kroków weryfikacji klienta). Tak więc, fintech ma duży potencjał na odebranie części klientów bankom, które do tej pory można było określić jako monopolistę w pewnym zakresie oferowanych usług finansowych. Należy jednak pamiętać, że banki cieszą się dużym zaufaniem klientów, co znacznie utrudni fintech ekspansję na rynku. Trzeba także wziąć pod uwagę fakt, że zarówno Unia Europejska, jak i Stany Zjednoczone podjęły próbę uregulowania działalności fintech. Wydaje się więc, że bardziej rygorystyczne przepisy mogą spowolnić eksplansję fintech (Grzywacz, Jagodzińska-Komar 2018, 159–161). Wyrównają jednak szanse w „walce” o pozyskanie klienta wszystkich podmiotów sektora finansowego.

Fintech, z jednej strony, są nowymi podmiotami na rynku finansowym i mogą odebrać część biznesu bankom i w ten sposób zachwiać równowagę systemu finansowego. Z drugiej jednak, fintech mogą okazać się swego rodzaju motorem napędowym dla banków, które przez rosnącą konkurencję będą zmuszone doskonalić swoje produkty i rozpocząć współpracę z fintech. Biorąc jednak pod uwagę stan obecny, nie można jednoznacznie przewidzieć dalszego scenariusza rozwoju współpracy pomiędzy fintech a bankami w zakresie oferowanych usług. Należy jednak stwierdzić, że oba podmioty wykazują inne cechy przewagi w oferowanych usługach. Fakt ten może ostatecznie prowadzić do podjęcia współpracy przez oba podmioty w celu dostarczenia klientom produktów jak najbardziej dopasowanych do wymagań dzisiejszej rzeczywistości.

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