# DIVERCITIES
## governing urban diversity

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## The Case of Warsaw

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**Governing Urban Diversity:**
Creating Social Cohesion, Social Mobility and
Economic Performance in Today's Hyper-diversified Cities

*In memory of Ronald van Kempen*

# CONTENTS

# PREFACE

This book is one of the outcomes of the DIVERCITIES project. It focuses on the question of how to create social cohesion, social mobility and economic performance in today's hyper-diversified cities. The project's central hypothesis is that urban diversity is an asset; it can inspire creativity, innovation and make cities more liveable and harmonious. To ensure a more intelligent use of diversity's potential, a re-thinking of public policies and governance models is needed.

Headed by Utrecht University in the Netherlands, DIVERCITIES is a collaborative research project comprising 14 European teams. DIVERCITIES is financed by the European Commission under the 7th Framework Programme (Project No. 319970).

There are fourteen books in this series, one for each case study city. The cities are: Antwerp, Athens, Budapest, Copenhagen, Istanbul, Leipzig, London, Milan, Paris, Rotterdam, Tallinn, Toronto, Warsaw and Zurich.

This book is concerned with Warsaw. The texts in this book are based on a number of previously published DIVERCITIES reports.

The authors

# 1 DEALING WITH URBAN DIVERSITY: AN INTRODUCTION[1]

## 1.1 INTRODUCTION

Urban diversity should be considered as a highly complex and multi-layered phenomenon. While traditionally attributed mainly to class and ethnic divisions, its scope has become extended owing to the increasing complexity of individual and group behaviour, lifestyles and attitudes. Urban neighbourhoods may display a range of housing and environmental characteristics, leading to all kinds of specific places: enclaves for the rich; slums and ghettos for the very poor; middle-class suburbs; both thriving and degraded inner city districts; gated communities; areas with shrinking population; and areas with population growth due to increasing immigration. Residential neighbourhoods can be inhabited by mostly rich or mostly poor; they can house a majority of immigrant groups or can be heavily mixed in terms of population composition.

Neighbourhoods can feature intense human interaction or limited social contacts. They tend to be mixed with respect to "hard" variables such as income, education, ethnicity, household composition and age structure, but also on the basis of characteristics such as lifestyle, attitude and activities. For some people the choice of the place of residence constitutes a viable possibility, while others are in a sense confined to a specific locality. Urban diversity pertains both to physical urban tissue and the patterns of social relations. Harmonious interaction within urban areas can turn into social and spatial conflicts between different resident groups. A relative homogeneity of a neighbourhood with respect to housing quality and income levels does not preclude its diversification in terms of individual lifestyles and values as held by local residents.

In this book reference is made to neighbourhoods that are in many respects socially deprived, yet displaying different social characteristics. In some of these areas there is a concentration of immigrants and their descendants, often originating from a range of countries, resulting in an increasing ethnic diversity (Vertovec, 2007). In other cases these areas are rather homogenous in terms of ethnicity, but undergoing a diversification owing to the gentrification process. The deprived, and at the same time diverse neighbourhoods, are characterized by different levels of social cohesion, social mobility and economic performance. These areas normally feature housing of low quality that is, however, affordable to the local households. A number of such neighbourhoods might be characterised as dilapidated areas, where the quality of the housing stock and of public space is worse than in other parts of the city; residents typically feel less safe, and where there is a high level of unemployment and a large share of people on welfare

benefits. There can be negative, intolerant, and discriminatory attitudes towards these areas and the people living in them. As a consequence, such parts of the city may be seen as those where nobody wants to live, places which people want to leave once an opportunity presents itself or even as no-go areas.

Neighbourhoods with an inexpensive housing stock are not necessarily to be treated as unattractive places to live. In many cases the residents of the areas see all kinds of advantages of living there: they feel at ease among people of their own ethnic group and/or socio-economic status; they like the diversity; or they might find jobs in the local, sometimes very diverse, economy.

The present book focuses on living with urban diversity in an inner-city district of Warsaw. It attempts to prove that, despite negative discourses, people living and working in those neighbourhoods often see positive aspects of diversity and may actually profit from it. Hence, though often neglected in the literature, those are also the positive aspects, such as the attitudes and experience of residents and local entrepreneurs related to living in socially diverse urban areas, that are specifically highlighted in the study.

As the capital of Poland and its largest city, Warsaw performs high-ranking political, administrative, cultural and economic functions. For centuries, next to the Polish ethnic population, the city was inhabited by minorities, out of which the most important were Jews, Germans and Russians. Due to the devastation of World War II, the ethnic diversity of pre-war Warsaw gave place to a considerable ethnic homogeneity. The city experienced huge physical and social destruction, and was rebuilt from the ruins to become home to the 'Robinsons', i.e. the remaining pre-war population that returned to the city, and to new inhabitants arriving from other parts of Poland including the rural countryside. Divisions into social strata and identification based on cultural traditions and place of origin became the main dimensions of urban diversity.

The area under investigation – Praga Północ is one of eighteen administrative districts in Warsaw. It is characterized by large variations in social and economic status of its inhabitants. It also shows signs of various aspects of social deprivation. At the same time, the place is marked by dynamics, as evidenced by ongoing gentrification and some commercial investments. The phenomenon often called as the 'vogue for Praga' is stimulated by the availability of relatively inexpensive accommodation (in terms of rent and purchase cost), new public and private investments, a new urban revitalization programme, as well as a specific ambience with a touch of local folklore (compare Korcelli-Olejniczak et al., 2015; Korcelli-Olejniczak, Piotrowski, 2015). The Praga of today is an area where newcomers, often members of the creative class, live side by side with long-term local residents. Therefore, Praga Północ may be considered as a representative case of an area where poverty and other social dysfunctions, local climate and traditions meet metropolitan development dynamics and vitality, the latter explicitly embodied by the new Praga Koneser Centre with its Google start-up campus. Due to these changes, Praga

is also becoming a more interesting place for tourists (Korcelli-Olejniczak et al., 2016, Derek et al., 2013).

There are four basic notions that are applied and operationalised in the present study[2]. *Diversity* is defined as the presence or coexistence of a number of specific socio-economic, socio-demographic, ethnic and cultural groups within a certain spatial entity, such as a city or a neighbourhood. We want to indicate how diversity relates to social cohesion, social mobility and the performance of entrepreneurs. *Social cohesion* can, in a very general way, be defined as the internal bonding of a social system (Schuyt, 1997). *Social mobility* refers to the possibility of individuals or groups to move upwards or downwards in society, for example, with respect to jobs and income (and status and power), while *economic performance* is concerned with the way individuals and groups perform in the city as entrepreneurs. *Governance* is seen as shorthand for a diversity of partnerships on different spatial and policy levels, leading to a certain goal.

## 1.2    THE PURPOSE OF THE BOOK

Our aim is to discover whether diversity "works". Therefore, we pose the question: Are there advantages for those who are directly confronted with it? An important part of the research is focused on the influence of policy instruments and governance arrangements. We refer to how they are formulated, to the role of diversity in policies aimed at improving cities, neighbourhoods and the situation of people, both social and economic. We ask whether the inhabitants profit from these policies and arrangements. Based on the results of survey studies we elaborate on the issues related to daily life, and the role of diversity in particular. We ask if the local inhabitants perceive advantages of diversity in the place of residence or place of work, whether they encounter negative effects, and if so, how they evaluate them. The interviews carried out with entrepreneurs in the research areas provide information concerning reasons of starting the business, in particular at a given locality, including the role of diversity as a location factor and its possible contribution to the firm's success or failure. The research on which the book is based is of qualitative fieldwork type. Interviews were carried out with policymakers, leaders of local initiatives, residents of the neighbourhoods and local entrepreneurs.

## 1.3    DIVERSITY AND ITS EFFECTS: SOME KEY ARGUMENTS

Coined by Steven Vertovec (2007), *super-diversity* refers primarily to cities with large shares of ethnic minorities combined with the demographic and socio-economic divisions between and within ethnic groups. Vertovec (2007, p. 1024) talks about "*the dynamic interplay of variables among an increased number of new, small and scattered, multiple-origin, transnationally connected, socio-economically differentiated and legally stratified immigrants who have arrived over the last decade*". As such, Vertovec recognises the enormous diversity within categories of immigrants.

By going a step further, the term *hyper-diversity* is introduced. This term indicates that we look at diversity not only from the ethnic, demographic and socio-economic perspective, but also by taking account of differences related to lifestyles, attitudes and activities (Taşan-Kok et al., 2014:6). The latter may be superimposed upon and intermixed with the previous division lines. Such differences are especially important when explaining social cohesion or social mobility. People belonging to the same social or ethnic group may display quite different attitudes with respect to school, work, parents and towards other groups. They may have very different daily and life routines, by exhibiting daily mobility patterns that are either confined to the neighbourhood, or extend all over the city and beyond.

Why should the notion of urban diversity be subject to a reinterpretation? The recognition of hyper-diversity implies a different perspective to live together in a city or a neighbourhood. A seeming proximity based on income or place of origin may not necessarily involve the sharing of common values and lifestyle patterns. Hence, human interaction may actually be quite limited. Policies aimed at traditional categories such as 'the poor' or specific ethnic or age groups without considering other dimensions of social diversity may not be efficient – this refers, for example, to attempts at enhancing social cohesion, or fostering social mobility. Traditional policy frameworks, which often focus on stable and sharply delineated population categories or on specific neighbourhoods, tend to ignore the hyper-diversified social reality. In this context, the term hyper-diversity may find an appropriate reference to post-socialist cities such as Warsaw, where social change brings about a diversification not only in economic status, but also with regards to values and lifestyles.

According to numerous authors, new forms of diversity are resulting from factors that include: increasing net migration and diversification of countries of origin (Vertovec, 2007); increased level of population mobility (Syrett and Sepulveda, 2007; 2011); the dynamic nature of global migration, new social formations in the city and changing conditions and positions of immigrant and ethnic minority groups in the urban society (Vertovec, 2010); transnationally connected, socio-economically differentiated and legally stratified immigrant flows (Vertovec, 2007); new power and political structures, and dynamic identities (Cantle, 2012); and increasing heterogeneity of migration in terms of countries of origin, ethnic and national groups, religions, languages, migratory channels, and legal status (Faist, 2009). Neo-liberal deregulation, which has been feeding diversity in particular ways (economic globalization, increasing income inequality, polarization, segregation, etc.) for the last 30 years, contributes to the increasing complexity of the urban society.

It is anticipated that the overall success of public policies will be more and more dependent on partnerships between the public and private sector and that individual citizens and communities will have to take greater responsibility for their own welfare. It remains an open question whether national governments will be willing to fulfil the needs of the population as a whole, or rather focus on particular population categories. Urban governance arrangements

have to consolidate efforts in relation to physical condition, social and economic situation, and environmental protection to achieve a better quality of urban life.

During the 2000s there was a convergence in urban policy and planning agendas in cities across the world with a move towards, what Beck (2002) has termed, the individualization of society, or a 'sub-politics' characterised by indirect forms of state intervention and greater individual and community autonomy. It is often argued that the new 'post-politics' founded on consensus building, collaboration, and a more powerful role for active individuals and communities now represents the main option. For authors such as Beck (2002), Giddens (1994; 2002; 2009) and Held (2010) changes are an inevitable consequence of structural social shifts in which individuals and communities no longer identify themselves through the restrictive prisms of class identities and adversarial left/right politics. This is particularly relevant in cosmopolitan, hyper-diverse Western European cities, but is also becoming increasingly present in cities with a socialist heritage. In the aftermath of the 2008 financial crisis and the 2011 Euro crisis, numerous governments across the EU have put in place austerity agendas seeking to reduce social benefits and to make governance arrangements more flexible and diverse. This hardly applies to the new EU member countries, which continue to benefit from the Community's structural funds. Still, governance across Europe is being re-invented as a participatory practice that opens up opportunities for policymakers and citizens to engage in a process of policy co-production and mutual working (Mulgan, 2009; Oosterlynck,Swyngedouw, 2010).

Relatively little is known, however, about the capacities and motivations of diverse urban communities to take on the new and expanded roles in cities. The shift to a post-political, communitarian approach to governance raises questions of equality and social justice, as it is by no means clear that reducing the role of the state and of government institutions necessarily improves either the efficiency or the accountability of governance processes. Devolution and localism can all too easily open the door to new forms of privatization that may bring more efficiency but at the cost of reduced democratic accountability and increases in socio-economic inequality (see Boyle, 2011; MacLeod and Jones, 2011; Raco, 2012). Moreover, the extent to which existing institutional structures no longer 'work' and need to be reformed is a claim that authors such as Swyngedouw (2009), Ranciére (2006) and Žižek (2011) have challenged as a political ideological programme that, in reality, seeks to attack welfare state systems across the EU and marginalize poorer and more diverse communities in cities under the discursive cloak of 'empowerment' and 'devolution' agendas (Mouffe, 2005; Crouch, 2011).

In its most general meaning social cohesion refers to the glue that holds a society together (Maloutas and Malouta, 2004). The concept of social cohesion is not only applicable to society as a whole, but also to different scale levels (city, neighbourhood, street) or different types of social systems, such as family, an organization or a university (Schuyt, 1997). Kearns and Forrest (2000) identify five domains of social cohesion: common values and a civic culture; social order and social control; social solidarity and reduction in wealth disparities; place

attachment and shared identity; and social networks and social capital. Here, we mainly focus on common values, on place attachment and on social networks.

There is fundamental disagreement among social scientists about the association between diversity and social cohesion. The common belief in significant parts of the social sciences is that despite internal differences, mixed communities can live together in harmony. Finding the balance between diversity and solidarity is not easy, but it is not necessarily an impossible or undesirable mission (Amin, 2002). However, social scientists working in the communitarian tradition, like Putnam (2007), tend to see diversity and heterogeneity as a challenge or even an obstacle for social cohesion and cultural homogeneity as a fundamental source of social cohesion.

This distinction between optimists and pessimists is also reflected in the literature on social mixing policies (van Kempen and Bolt, 2009). On the one hand, policymakers in many European countries see the stimulation of greater mixing across income groups and between ethnic communities as a means to create more social cohesion (e.g. Graham et al., 2009). On the other hand, many academic researchers tend to emphasize that diversity is often negatively related to cohesion. This conclusion is based on two types of empirical research. First, there are studies evaluating social mixing policies (either in a quantitative or a qualitative way), which usually focus on a small number of neighbourhoods, and which conclude that social mixing is more likely to weaken than to strengthen social cohesion in a neighbourhood (e.g. Bolt and van Kempen, 2013; Bond et al., 2011). Hardly any interaction can be found between social groups (e.g. Bretherton and Pleace, 2011; Joseph et al., 2007). Second, there is a highly quantitative research tradition in which the compositional characteristics of neighbourhoods are related to social cohesion. Kearns and Mason (2007) found that a greater diversity of tenure (as proxy for social mix) is negatively related to social cohesion.

As argued earlier, gentrification is one of the most important factors that differentiate inhabitants. Here, gentrification is defined as a process of reinvesting capital, upgrading the socio-economic status of the neighbourhood and changing urban landscape (Davidson, Lees 2005). In a city with post-socialist heritage that experiences an early-stage of the gentrification phenomenon (DeGiovanni 1983; Caulfield 1994) it is typically initiated by pioneers, for example, artists, students, young households (Grabkowska 2012, Kovacs et al. 2013), but also by developers (Badyina, Golubchikov 2005).

In this book we search for positive associations between diversity and cohesion. Contextual differences, for example, play a large role in the effects of diversity. Delhay and Newton (2005) have shown that good governance at the regional and national level positively affects social cohesion and eliminates the (alleged) negative effects of diversity. The effects of diversity may also differ from society to society based on difference in 'ethnic boundary making'. In the literature on 'ethnic boundary making' ethnicity is "*not preconceived as a matter of relations between pre-defined, fixed groups … but rather as a process of constituting and reconfiguring groups by defining boundaries between them*" (Wimmer, 2013, p. 1027). This literature aims to offer

a more precise analysis of how and why cultural or ethnic diversity matters in some societies or contexts but not in others, and why it is sometimes associated with inequality and 'thick identities' and in other cases not. This is, among other things, dependent on the specific type of boundary making and the degree of 'social closure' along cultural-ethnic lines (e.g. Cornell and Hartmann, 1998; Wimmer, 2013).

*Social mobility* refers to the possibility of individuals or groups to move upwards or downwards in society, for example, with respect to jobs and income (status and power). Social mobility has been defined in many ways, in narrow as well as in broad senses. In almost all definitions the notion of the labour market career is mentioned. Individuals are socially mobile when they gain employment, and in particular, when they move upward in occupational hierarchy.

In the context of social mobility it is important to pay some attention to the concept of *social capital*. In its most simple sense, social capital refers to the possible profit derived from social contacts (Kleinhans, 2005). It thus provides a link between social cohesion and social mobility. To Bourdieu, social capital is a resource or a power relation that agents achieve through social networks and connections: *"Social capital is the sum of the resources, actual or virtual, that accrue to an individual or group by virtue of possessing a durable network of more or less institutionalized relationships of mutual acquaintance and recognition"* (Bourdieu and Wacquant, 1992, p. 119). This definition focuses on the actual network resources that individuals or groups possess that help them to achieve a given goal, for example, finding a job or a better home. Portes and Rumbaut (2001) draw on Bourdieu's definition of social capital when they specifically talk about immigrants.

The question of how individuals can profit from their social contacts is crucial here. The literature makes an important distinction between *bonding capital* on the one hand and *bridging capital* on the other (Granovetter, 1973; Putnam, 2001). Bonding capital refers to the strong ties within one's social circle (similar others), while bridging capital is about relations outside one's social circle (weak ties). The latter type of connection is much more likely to deliver important information about opportunities such as jobs (Granovetter, 1973). In this research project we perceive social capital as a *resource* for social mobility. In other words, this resource can be used as a *means* to reach social mobility. Social capital is therefore not seen as an equivalent of social mobility. The concept of social capital does have some overlap with the concept of social cohesion (see above), but while social cohesion can be seen as an outcome of social processes, social capital should be interpreted as a means to reach a goal, for example, having a good social network can help to find suitable premises to start a small business.

In studies of neighbourhood effects, the relationship between neighbourhood characteristics and social mobility is essential. In many of these studies, the effects of segregation (usually in terms of income or ethnic background) on social mobility have been the key rather than the effects of diversity. Typical questions include (Friedrichs, 1998): Does living in a neighbourhood with a specific type of population limit social mobility? Does living in an ethnic neighbourhood limit

integration and assimilation? Do impoverished neighbourhoods have fewer job opportunities for their residents? There are many concrete examples from research on neighbourhood effects (Gordon and Monastiriotis 2006, Galster, 2008, Urban 2009, Brännström and Rojas 2012). The general outcome of such studies is always that personal characteristics are much more important for social mobility than the characteristics of the neighbourhood, at least in European cities.

Why are neighbourhood effects on various aspects of social mobility so limited? This can probably be attributed to the fact that the lives of people are not entirely organized around the home and the neighbourhood of residence. With increased mobility, better transport and almost unlimited contact possibilities through the internet and mobile devices, people now take part in multiple networks, visiting several places and meeting many people physically and virtually (van Kempen and Wissink, 2014, Zelinsky and Lee, 1998, Bolt and van Kempen, 2013).

Studies on cities frequently focus on links between urban diversity and economic competitiveness. Fainstein (2005, p. 4), for example, argues that "… *the competitive advantage of cities, and thus the most promising approach to attaining economic success, lies in enhancing diversity within the society, economic base, and built environment"*. From this widely-accepted point of view urban diversity is seen as a vital resource for the prosperity of cities and a potential catalyst for socio-economic development by many others (Bodaar and Rath, 2005; Eraydin et al., 2010; Taşan-Kok and Vranken, 2008). Although some successful entrepreneurs may live in socially homogenous neighbourhoods, some scholars hold a contrary view by arguing that diversity and economic performance are not positively interrelated (Angrist and Kugler, 2003; Alesina and La Ferrara, 2005). The general opinion, however, is that diversity has a positive impact on the economic development of cities. Inspired by similar ideas, urban diversity is seen as a characteristic feature by many policymakers to realize a so-called '*diversity dividend*', which will increase the competitive advantage of the city (Sammartino, 2001; Cully, 2009; Eraydin et al., 2010).

All these perspectives provide a solid understanding of how diverse communities can contribute to the economic performance of cities. What is less clear is the impact of living/working in a hyper-diversified city or neighbourhood where economic performance affects the individuals and groups living in these areas. In our research we focus on the way individuals and groups perform in the city as entrepreneurs as we see the economic performance of people as an essential condition for the economic performance of a city. We aim to underline that diverse forms of entrepreneurship positively affect urban economic performance. Furthermore, increasing possibilities of building successful businesses also contributes to the chances of social mobility for diverse groups of people. As argued by Bellini et al. (2008), research on the urban level indicates the existence of positive correlations between diversity and economic performance and sees cultural diversity as an economic asset (Nathan, 2011). Some of the positive impacts of diversity can be highlighted below:

- *Increasing productivity*: A study of Ottaviano and Peri (2006) shows that average US-born citizens are more productive (on the basis of wages and rents) in a culturally diversified environment. As Bellini et al. (2008) show, diversity is positively correlated with *productivity* as it may increase the variety of goods, services and skills available for consumption, production and innovation (Lazear, 1999; O'Reilly et al., 1998; Ottaviano and Peri, 2006; Berliant and Fujita, 2004). In the same vein, Syrett and Sepulveda (2011) provide an overview of how the urban economy benefits from a diversity of the population.
- *Increasing chances for networking*: Some scholars (Alesina et al., 2004; Demange and Wooders, 2005) point to the emerging literature on club formations, wherein *ethnic networks* grow from within. According to these researchers, a social mix brings about variety in abilities, experiences, and cultures, which may be productive and may lead to innovation and creativity. Here Saunders' (2011) work on the arrival city concept is of interest. He argues that some city areas with high levels of social mix provide a better (easier) environment for starting small businesses for immigrants, especially newcomers, due to easy access to information through well-developed networks.
- *Increasing competitive advantage:* Emphasizing the rising levels of population diversity, Syrett and Sepulveda (2011) suggest using population diversity as a source of competitive advantage. Other studies highlight diversity as an instrument for increasing the competitive advantage of cities, regions or places (Bellini et al., 2008; Blumenthal et al, 2009; Eraydin et al., 2010; Nathan, 2011; Sepulveda et al., 2011; Thomas and Darnton, 2006). The common argument of these studies is that areas that are open to diversity are able to attract a wider range of talent (nationality, race, ethnicity, and sexual orientation) than those that are relatively closed. As a result, they are more likely to have a dynamic economy due to their creative, innovative and entrepreneurial capacities when compared to more homogenous cities (see also Scott, 2006).
- *Increasing socio-economic well-being:* A number of studies pinpointed the positive contribution of urban diversity to the socio-economic well-being of mixed neighbourhoods (Kloosterman and van der Leun, 1999; Kloosterman and Rath, 2001). In fact, proximity to mixed neighbourhoods seems to be a locus for networking and for the fostering of social capital (Kloosterman and Rath, 2001). '*Attractive*' and safe living environments, '*good*' and appealing amenities, pleasant dwellings and a '*nice*' population composition can be crucial factors to attract and bind entrepreneurs to a city or neighbourhood (van Kempen et al., 2006).

In the post-socialist city context, the discourse on urban social diversity focuses on the consequences of the opening of national economies to globalization forces, functional restructuring of urban economies (see among others: Korcelli-Olejniczak 2012), the gradual inflow of immigrants and the new role of state in the field of housing provision. Questions related to social aspects of housing (Tosics 2005, Sykora and Bouzarovsky 2011, Węcławowicz 2005a, 2013) pertain to problems of housing privatization and property restitution, modernization of pre-fabricated housing units (Węcławowicz et al., 2004), demise of council housing construction and the phenomenon of gated housing estates (Hirt 2012, Jałowiecki 1999).

The impact of ethnic immigrants on the development trajectories of most cities in Eastern and Central Europe is generally limited due to the scale of the inflow. With respect to ethnicity, cultural diversity in Warsaw continues to be rather homogenous. At the same time, as with other large urban areas in this part of Europe, the city experiences the trend of growing diversity caused by an increasing intra-urban spatial mobility, internal in-migration, as well as early-stage gentrification (Sykora 2005, Kovacs, Wiesner, Zischner 2013, Jakóbczyk-Gryszkiewicz 2015). Also, the heritage of the post-1989 transformation that divided the society into two groups – "winners" and "losers" of the processes of change – remains a viable source of urban diversification.

Previous research carried out in Warsaw indicates that social diversification concerns predominately socio-economic status and place of origin (Węcławowicz 1975, 1992, 2001, 2004). As the present study shows, these dimensions are now complemented by a differentiation of values and lifestyles. The consequent division of residents into 'old' and 'new', which alters the traditional social and organisational order within city space, is the key aspect of local diversification in Praga Północ. While following the perspective of other authors in the analysis of social relations between different groups of residents (Elias and Scotson, 1994, Butler 2003, Middleton et al., 2005, Watts 2009), the co-existence of these two basic, though non-uniform, groups is elaborated upon here. The special focus of the study, however, is the effect of this co-existence on social capital, social cohesion, social mobility and economic performance of the area. We analyse how diversification via gentrification challenges the social cohesion in Praga Północ, if it supports the economic performance of the area, and whether the traditional specific features of this part of Warsaw are sustained.

## 1.4    THE OUTLINE OF THIS BOOK

In the second chapter we discuss how the city of Warsaw is diverse with particular focus on the area of Praga Północ. The chapter provides context for the rest of the book, with import on policies, residents and the entrepreneurs living and working in this area. It highlights the specificity of Warsaw in terms of the historically changing political, social and economic patterns.

In chapter 3 the question posed concerns how policies deal with urban diversity. National and city-level policy discourses are analysed – the development of diversity-related policy in the past decades is outlined, with a particular focus on current local policies. In addition to the top-down policy discourses, we also analyse bottom-up initiatives coordinated by public authorities, NGOs, the local community or private persons and firms. We make reference to the turning points in the diversity policy discourse, associated with the changing global, national and local contexts. The basic research question we refer to is whether social diversity is perceived as something positive, as a threat to urban society, or as a basically irrelevant factor.

In chapter 4 we turn to the residents of Praga Północ with the aim to find out why people moved into the area and whether its specific local diversity was among the decision motives. The chapter discusses the residents' attitudes towards diversity, their way of using public space in the neighbourhood, and the types of social networks that evolve locally. We pose questions concerning the relation between patterns of social interaction and local solidarity, social cohesion and social mobility. In this part of the book specific qualitative groups of residents of Praga Północ are identified based on functional relations, attitude to local space and place attachment. Despite the low integration between long-term local residents and new inhabitants, signs of interaction are observed. The question remains open as to whether these should be treated as a preliminary attribute of the early gentrification phase or as a basis of social cohesion in the future.

In chapter 5, the activity of local entrepreneurs is analysed with reference to the diversity of the area as a location and factor for business success. We refer to the structure of the clientele, development perspectives and relationships with other firms. Links between social diversity and economic performance of the area are delved into.

Chapter 6 summarizes the findings reflecting on the issue of whether social diversity 'works' in urban areas. It discusses the question of whether social diversity can be seen as an asset, a challenge or mainly as a liability. Finally, suggestions for local policymakers and other stakeholders are formulated.

# 2 WARSAW AS A DIVERSE CITY

Warsaw's diversity is as much an old as a new phenomenon. Throughout its history, the city has undergone numerous transitions of urban fabric, spatial structure and social composition. The ethnically heterogeneous metropolis of the interwar period (1918-1939) became an ethnically homogenous city after 1945 – a socialist state capital. After 1989 Warsaw started to build its position as a leader of socio-economic transformation in East-Central Europe. Dynamic development and globalization brought multi-level social change and gave impetus to diversity growth (Węcławowicz 2005b, Korcelli-Olejniczak et al. 2014).

With a population of 1,735,442 inhabitants (some 2.8 million in the metropolitan area) and an area of 517.24 square kilometres[3], Warsaw is Poland's largest city[4]. It performs political, administrative, cultural and economic functions, constituting a major destination for domestic, as well as foreign capital investments. According to the Warsaw Statistical Office, in September 2012 there were 349,866 business entities (national economy units) registered in the city, which constitutes 50.7% of all economic entities in the Mazowsze voivodship – one among 16 administrative regions of Poland. Warsaw generates 60.7% of the Mazowsze voivodship[5] GDP and is the main driving force behind the development of the region. On the other hand, it draws skilled labour resources from the region, thus contributing to the persisting disparities in regional development. Warsaw is also the leading centre of advanced services, as well as the most important scientific and research centre in Poland. It hosts the largest number of higher education institutions (77 in 2012) and 15 per cent of the total number of students in Poland.

As highlighted in the introductory chapter, the specificity of social diversity in Warsaw pertains to economic and social status related to the level of education and variations in incomes, to the family background associated with the place of origin, and to the complexity of lifestyles, values and attitudes held by residents. The main sources of social diversification include: in-migration from other regions of Poland; gentrification processes in selected parts of the city; and population aging and the general social change that impacts demographic patterns and social behaviour.

## 2.1 HISTORIC DEVELOPMENT AND DIVERSITY

*The multicultural and diverse city*
Between 1918 and 1939 Warsaw was a multicultural and multi-religious city. According to the population censuses conducted in 1921, 1931 and 1938, ethnic Poles accounted for only

two-thirds of its total. The largest ethnic minority population were Jewish. In Warsaw they represented more than 30% of the inhabitants of the total of 1.3 million inhabitants in 1938. This made the city the second largest Jewish urban community in the world.

Additionally, the social composition of the city was very much diversified: the upper class comprised 5%; 25% of the population represented the middle class professions (officials, university teachers, medicine doctors, lawyers etc.); and 70% were broadly understood as being from a lower social strata. It was the latter group that grew in number due to dynamic in-migration. Those migrants notably contributed to Warsaw's successful development in the interwar period (Kołodziejczyk, 1961).

*Towards a 'uniformised' society*
World War II caused immense losses in the city's population and its built environment. The number of inhabitants dropped to 162,000 in 1945. Most of the city area had to be rebuilt after the devastation of the war, with as much as 72% of the housing stock and 90% of industrial buildings damaged beyond repair. It is estimated that no other European capital suffered such great destruction. As a consequence of the extermination of the Jewish population, the expulsion of the German population and the resettlement of the Ukrainian population, Poland became almost homogenous[6] nationally. Five consecutive national population censuses conducted after WWII failed to include questions defining ethnic differentiation/identity, as it was considered insignificant.

World War II and the imposition of state socialism in 1945, together with a policy of forced industrialisation, had decisive consequences for the city. The destruction of housing and infrastructure during the war led to settlement development and population growth in the suburban zones in post-war decades. In the 1960s and 1970s this trend was reinforced by administrative controls over the inflow of new inhabitants to Warsaw, and the so-called "deglomeration policy". The transformation of social and economic structure had an influence on the physical fabric of the city. A substantial role was played by the Decree on Communalisation of 1945, which abolished private ownership of land within the city boundaries. The city council was empowered to allocate families without accommodation to live in privately owned houses, which were under-occupied and with rents fixed at the 1939 level. This, even after 1989, remains one of the main obstacles for urban development in the central part of Warsaw. Up to now, the lack of comprehensive re-privatization legislation constrains a more harmonious development and modernization of the city core. The introduction of the new doctrine of socialist realism had radically changed the urban landscape. The gigantic Palace of Culture and Science dominated the centre of the city, and large modernist-style housing estates with monotonous architecture became the typical urban landscape. Over time, responsibility for the provision of housing was gradually passed onto housing cooperatives. In Warsaw, however, the city was the dominant provider until 1965.

The diversification of the population, which had been traditionally seen first in terms of social stratification, was gradually transformed into a structure based on the status of occupation performed (Węcławowicz 1975). With division lines between social strata being perceived negatively and as conflicting with the idea of a 'uniformised' society, policies in areas such as housing allocation aimed at preventing the development of socially homogeneous neighbourhoods. These specific mixing policies became gradually attenuated, which resulted, for example, in the persistence of notable differences with respect to socio-economic status among individual residential districts in cities (Węcławowicz, 1975, 2004). Also, foreign migration policy, initially subjected to strict controls, underwent some liberalization from the late 1950s.

*City in transformation*

After 1989 the new system of power allocation led to a revitalization of the local initiatives and a substantial improvement in the maintenance of communal infrastructure and housing stock. Despite the political and economic isolation, the population of Warsaw never became truly saturated with the ideology of a closed and homogenous community. The scarcity of development impulses coming from the outside world was partly compensated for by contacts with Polish emigrants to the West. Individual social networks typically included family members or friends living abroad. Poland before 1989 was characterised by the most open and liberal passport policy in the Eastern Block. Travelling was one of the ways in which Warsaw's inhabitants experienced cultural diversity. After 1989 these experiences, as well as solid education and a high level of know-how, contributed to the outburst of entrepreneurship, which became part of Poland's economic success during the transformation period.

The political, economic and social transformation of 1989/1990 generated substantial changes in the urbanization process. Market mechanisms replaced centralized planning. The return of land rent and administrative reform, which introduced a multi-level government model, has shifted control over urban space from central level to the local level (Węcławowicz 1996). This, together with new rules determining housing choice based on economic criteria, resulted in a relatively rapid spatial differentiation and diversification of the urban landscape (Węcławowicz 2004, Grochowski et al, 2013).

## 2.2 DIVERSITY RE-DISCOVERED

The Warsaw of today is a metropolis characterized by vitality and development dynamics, where economic growth is accompanied by social change. This is expressed by two simultaneously occurring phenomena: the transforming economic profile and changes in lifestyle and quality of life, reflected in behaviour, principles, choices concerning workplace, place of residence, leisure, the variety, quantity of activities, venues and institutions (Korcelli-Olejniczak, 2012).

**Fig. 1** The merging of Warsaw and Istanbul's skylines, believed to be an artistic impression of existing and potential urban cultural diversity, is a mosaic in one of Warsaw's underground railway stations (Picture by F. Piotrowski).

The city is experiencing growing diversification caused by a re-opening to the world, growing spatial population mobility and the internationalization of the economy. Its negative aspects are increasing social inequality, spatial polarization and emerging urban conflicts. The belated and stepped-up modernization of economy and society, a medley of traditional values and cosmopolitan flair, the burden of the past and post-1989 governance approaches define the specific character of Warsaw (Korcelli-Olejniczak et al. 2014).

Warsaw is one of few large cities in Central Europe that has not experienced population decline in the past two decades despite significant residential suburbanization. Warsaw's population growth is based on internal migration. This is attributed to the fact that the capital remains an attractive place to live in and work. Since the transformation of 1989, Warsaw has strengthened its position in the national settlement system to a much greater extent than any other city in Poland. The labour market is characterized by a high-absorbing capacity, low unemployment (4.3% in 2015[7]) and the highest average salaries in the country. This attracts new residents and translates into a high demand for housing. In the entire Mazowieckie voivodship the bulk of internal migration is routed directly to Warsaw, bypassing smaller cities in the regional settlement system. This means that a person living a relatively short distance from, for example, Radom and Płock (second-rank cities in the region), and deciding to move to a large city to work or to study, is more likely to choose Warsaw or its greater metropolitan area as their destination (Śleszyński, 2012).

*Warsaw: A diverse city?*

A stunningly low level of ethnic diversity will strike an external observer to Warsaw. This situation reflects the fact that Poland remains the least ethnically diversified country in the European Union. Ethnic and cultural diversity is truly low (Central Statistical Office 2012) when compared with most other large 'old' European Union cities. Still, nationally Warsaw's population can be considered diversified, as the city is the main magnet for both internal and international migration flows[8]. According to recent estimates, the number of foreigners living in Warsaw for a period longer than three months equals approximately 50,000, i.e. less than 3 per cent of the total population (Winiarska, 2014). Therefore, when referring to Warsaw as a diverse city, focus is put on *urban divisions* (cf.: Bridge and Watson, 2013, p. 500) relating to class, economic and social status, sex/gender, age, disability and religious affiliation, and not ethnic diversity. The following phenomena presented within Warsaw's social and cultural space are referred to in our analysis: socio-economic differentiation; generational diversity and family status; and cultural diversity related to lifestyle, options, choices, attitudes, and sexual orientation.

Estimating the actual number of migrants in Warsaw is extremely difficult due to the high mobility of newcomers and a low accuracy of statistical data. The data are often partial and based on different definitions and characteristics. Data from the 2011 census show that foreigners account for just 0.6% of the total population of Warsaw (10,700). The figures seem to be significantly underestimated due to the methodology applied (sample survey). According to data of the City of Warsaw in 2013, there were more than 18,000 foreigners who represented 1.1% of the total population. The reliability of these data is also limited, since a significant part of the population of Warsaw (not just foreigners) does not hold formal domicile registration in the city.
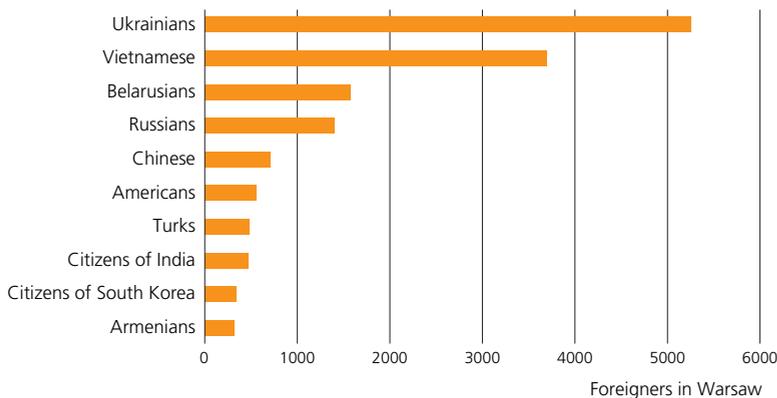


**Fig. 2** The most numerous groups of foreigners who held a valid residence card in 2013 (Source: residency data of the Warsaw City Hall).
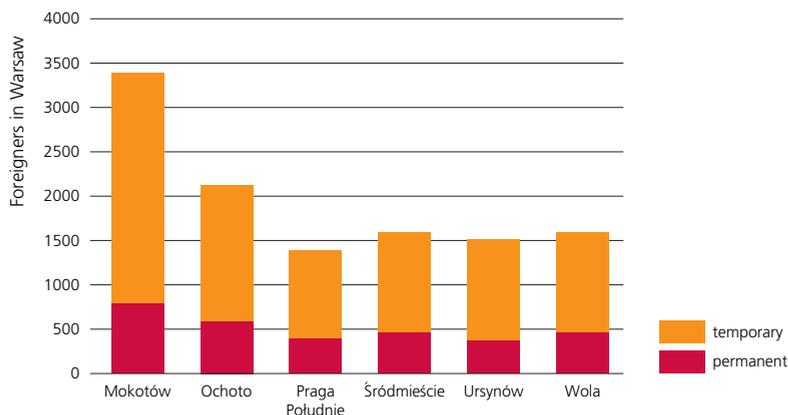
**Fig. 3** Permanent and temporary foreign residents in Warsaw according to selected districts in 2014 (Source: data of the Warsaw City Hall).

Researchers estimate that Warsaw is home to about one-fourth of all foreigners residing in Poland (Piekut 2012). Taking into account the people who have regulated status, about 45,000-50,000 foreigners living in the city, foreigners represent more than 2% of the total population. It should be noted, however, that foreign migration to Warsaw is largely temporary, and associated with work assignments, studying or seeking asylum. Nevertheless, the number of immigrants in Warsaw is slowly increasing. Warsaw agglomeration is more and more attractive for different groups of migrants finding employment both in jobs that do not require high qualifications, as well as high-class specialists in transnational corporations. Many foreigners work in Warsaw on the basis of work permits. In 2013, the Labour Office of the Capital City of Warsaw registered nearly 33,000, of whom the vast majority were Ukrainian citizens (over 27,500), followed by those from Moldova (over 2,500) and Belarus (over 1,500). The largest numbers of work permits issued were related to the construction sector.

One expression of the ongoing social diversification is the growing role of Warsaw as an international centre of higher education. Since 1990, a significant increase in the share of foreign students has been observed. In 2011 it reached 2.3%. The largest growth occurred after 2004, with subsequent years bringing an increase in the number of foreign students by an average of 15%. This was connected with Poland's accession to the EU, the implementation of student exchange programs between European universities, and a liberalization of Polish immigration regulations.

The spatial distribution of foreigners in Warsaw is indicated by a concentration in centrally located districts, primarily Mokotów and Ochota. This may be due both to the residential choice of foreigners, as well as to housing policy based on renting municipal flats based on preferential conditions to certain categories of foreigners (e.g. refugees, people in difficult

financial situations). An exception here is Ursynów, which is a relatively peripheral location yet very well connected to the city centre by public transport.

The role of Warsaw as a destination of migration flows is primarily related to the national level. Warsaw attracts in-migrants from all regions of Poland, owing to both economic and social reasons (Śleszyński 2012). This is related to the capacity, diversity and dynamics of the city's labour market, as well as its open, tolerant, metropolitan character in comparison to other cities (Łukasiuk, 2007). There are generally two main patterns of such migration: one is related to the search for 'solid modernity' based on traditional foundations (stability, work, family, career), and the other reflects the search for a 'liquid modernity' that the city offers (Baumann, 2000). The two patterns of migration also correspond to growing social pluralism based on lifestyles, attitudes and options. Next to the demographic (age-related) diversity, there is a specific social dichotomy developing: traditional households showing a trend towards suburbanization and modern urbanites displaying a preference for more central city areas. 250,000 de facto residents express the volume of in-migration without domicile registration in addition to quarter of a million of those who commute on a daily or weekly basis from their home areas (Śleszyński 2012).

## 2.3   MAIN PROCESSES OF DEMOGRAPHIC DIVERSIFICATION

One of the most important aspects of social diversification, which has significant consequences for the functioning of the society in Warsaw, is represented by fast changes in age composition and household structure. A primary process is the dynamic growth in the number of the elderly. In 2013 the share of population aged 60 and over reached 24.2%. In the next decade a further rapid growth in members from this age group is expected, as relatively large cohorts of the baby boomer generation (those born in the late 1950s) will reach the age of 60 (Fig. 4). Cyclic increases and decreases in the number and proportion of people in different age
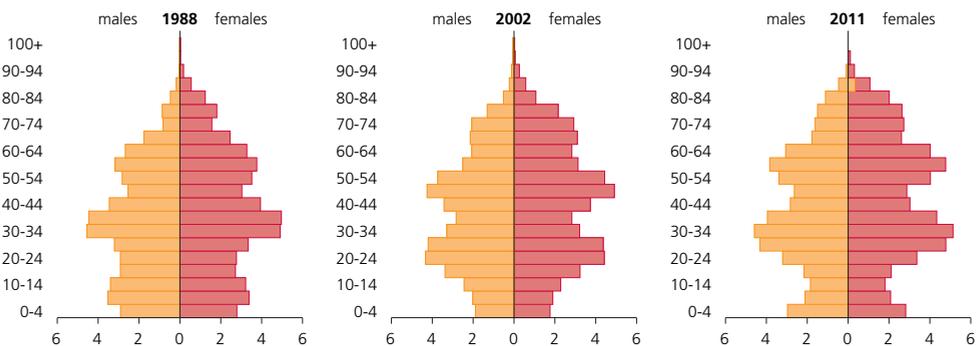


**Fig. 4** The age structure of the inhabitants of Warsaw in 1988, 2002 and 2011 on the basis of the National Census (Source: National Census data 1988, 2002 and 2011).
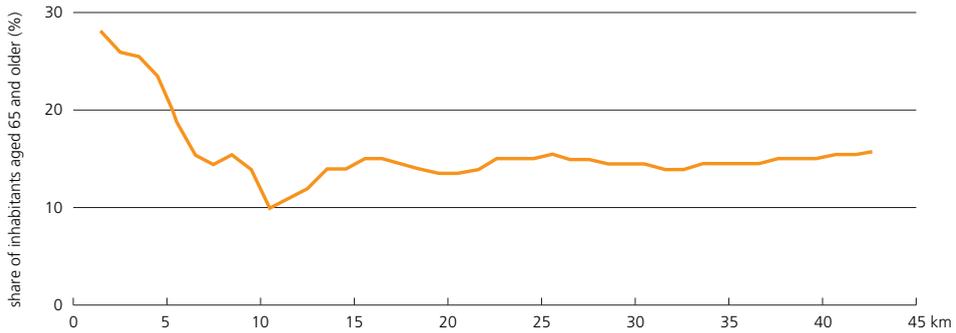
**Fig. 5** Share of inhabitants aged 65 and older in Warsaw depending on the distance from the city centre (Source: own elaboration based on data from the National Census 2002).

categories are characteristic aspects of demographic developments in Warsaw – resulting from the huge population loss during World War II, but also reflecting fluctuations in the volume of in-migration during the following decades.

Warsaw is characterized by a very pronounced spatial structure of population by age. The city centre displays an overrepresentation of elderly people, while the peripheral districts in general feature high shares of young people, in particular families with children. The spatial distribution of age groups may be defined as concentric, where more central locations are associated with a higher share of elderly people. This spatial pattern is again related to World War II damages and the subsequent restructuring of the city – the gradual rebuilding of the housing stock, which proceeded from the city centre to peripheral locations. Low residential mobility caused the inhabitants to age, along with the residential buildings in which they live.

Another major socio-demographic trend contributing to the formation of social differentiation in Warsaw is related to the diversification of family biographies, identities, individual norms and lifestyles, an overall ideological turn towards a 'liquidity' of values. There are a growing number of young people who postpone the decision to start a family, while getting involved in short-term relationships and cohabitating before, or instead of, getting married. The demographic patterns standing behind these changes, described as the Second Demographic Transition, generally lead to more diversified forms of family arrangements and a decrease in birth rate. The speed of this process is still moderate in comparison to other large cities in Europe, though its scale is not fully reflected in official statistics (Kotowska 2009, Kupiszewski et. al. 1998, Okólski 2004).

The ongoing changes generally lead to a reduction in the average household size as a result of the increased proportion of single-person and two-persons households. Consequently, the share of relatively large households, i.e. mainly families with children, in the total number is

decreasing. The dynamics of this process underwent significant changes in the last two decades; a sharp increase in the growth of single-person households was registered between 2002-2011. The highest growth rate of one-person households, up by 300%, coincides with the 30-35 years age group of the population. This age category accounts for approx. 30% of all one-person households in 2011. The phenomenon also displays spatial patterns, as one-person households (both elderly and young) tend to be generally concentrated in the inner-city districts, while households composed of at least three persons in general are predominately found in more peripheral locations.

As mentioned above, a growing number of young people chose informal relationships (i.e. cohabitation, Living Apart Together – LAT), which results in a decrease in their stability and reduces procreation. An important aspect of social change related to socio-demographic transformation is the essential shift in the social situation of women, primarily expressed by an increase of their professional activity and a smaller commitment to family life (Kotowska, 2009).

## 2.4    SPATIAL PATTERNS OF SOCIAL DIVERSITY

The spatial pattern of contemporary living conditions in Warsaw shows a clearly uneven development in the two parts of the city divided by the Vistula River. During the post-war decades, the development was focused on the left side of the river (both housing, economic investments, etc.), whereas the areas located on the right side of the river attracted little attention for new residents and building activity. This can be explained by the post-war 'intentional exclusion' of these areas by state and city authorities. In contrast to the districts situated on the left bank, the pre-war architecture and in part the social tissue of old Praga,



**Fig. 6** Warsaw research area: Praga Północ (Praga North) and Praga Południe (Praga South)
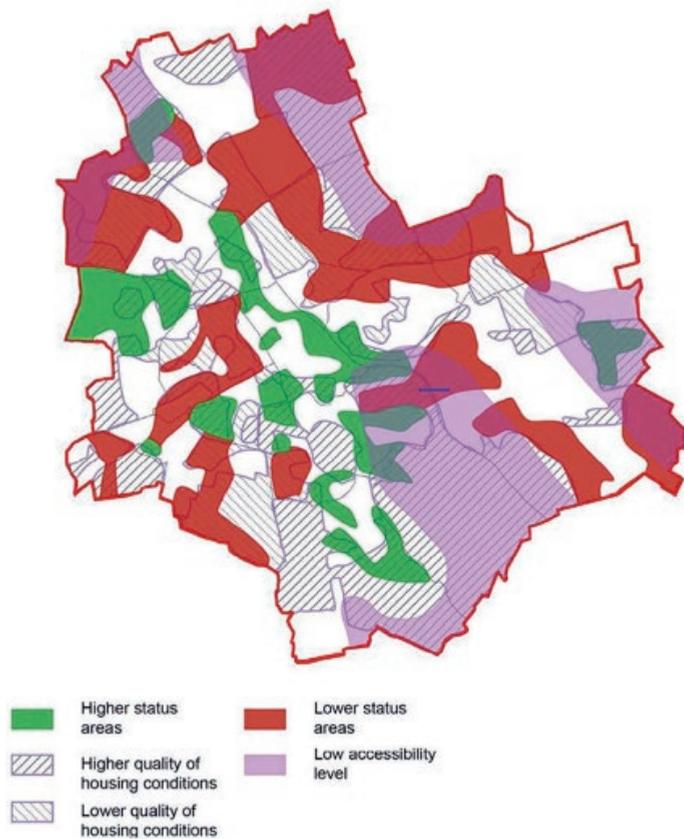
**Fig. 7** Areas of higher and lower status against areas with higher and lower quality of housing in Warsaw (Source: Grochowski et al., 2013).

survived the war. Its housing stock, which in the pre-war period belonged to private owners and in many cases of Jewish origin, was communalized and inhabited by a predominately poor and/or dysfunctional population. Large parts of the area were undergoing a gradual physical deterioration and social deprivation. Until 1990, the authorities were giving little attention to the need of counteracting the negative image of the areas, or to preventing the further growth of socio-spatial disparities in the city. Apart from Saska Kępa, which was traditionally a residential area of higher social strata, the right bank of Warsaw was treated as an inferior location and destination. The first years of the systemic transformation of 1989/1990 brought little change in the attitude towards Praga, a perception shared by both the authorities and the residents.

The last decade brought a distinct change in the approach, as disparities within the city started to be perceived by City Hall as a barrier to its overall attractiveness and competiveness. Place-based urban revitalization projects, investments in infrastructure and the appearance of a '*vogue for Praga*' were thought to fight the negative trends in the district, counteract urban

social inequality and to split spatial clusters of social problems. Still, the process requires time, investment in the improvement of public space, an effective housing policy, as well as the creation of facilities aiming at a cohesive and balanced development of the city together with the improvement of spatial accessibility.

A similar situation, as in the case of inner city districts situated on the right bank of the river, can be compared to other areas with partly dilapidated housing stock – some central sub areas with an aging and impoverished population, as well as some peripheral areas inhabited by relatively large families from predominately rural backgrounds. Another dimension of socio-spatial differentiation is related to Warsaw's concentric development pattern and a successive occupation of newer residential zones by population, which is relatively homogenous in terms of age and social status (Smętkowski 2009). As in many other cities, a convergence between the age of the housing tissue and socio-economic characteristics of the residents is found (Stępniak 2014). A clustering of a low educated and low-income population is registered on the eastern bank of the Vistula River, and to some extent in the city centre, where part of the housing stock is neglected and of substandard quality. Poor living conditions with insufficient dwelling facilities in pre-war buildings usually do not attract inhabitants with a higher socio-economic status; on the contrary, they are pull factors for less affluent residents. There are, however, signs of the reversal of this trend, and a gradual gentrification of certain sub-areas. The prevailing housing conditions in inner city districts have motivated a considerable number of better-off residents to leave the areas, and to move to newly constructed housing in peripheral city districts, as well as suburban locations. According to Smętkowski (2009), the wedge-shaped socio-economic pattern in the inner city districts relating to the educational and professional status has proved to be very stable, with the north-south axis representing a higher socio-professional status, and the east-west axis a lower status.

The recent expansion of Warsaw's housing market is an expression of the city's current development trends. In the period 2000-2011 Warsaw's housing stock increased by more than 170,000 dwelling units, representing approximately a quarter of its total housing stock (Mendel 2013). This should be considered as a remarkable development by most EU standards. Buildings erected after 1990 are located mainly in peripheral districts, but are also in the centre on a smaller scale in the form of 'infills'(in between the existing, sometimes derelict buildings).

## 2.5 TODAY'S DIVERSITY TRENDS

Contemporary Warsaw is becoming an arena of spatial change with business districts in central areas, clusters of office buildings and housing estates, new transportation infrastructure (including a new metro line), and green infrastructure both in the centre and on the city's outskirts. With its functionally diversified space, Warsaw is slowly losing the features of a post-socialist city and is acquiring universal standards of modern urban development. In many aspects, the city hardly resembles the Warsaw known to its inhabitants prior to 1989. In spite of

**Fig. 8** "*We invite kids representing all nationalities*" – international day care centres, schools, kindergartens and nurseries are becoming a common picture in the city (Picture by F. Piotrowski).

the still marginal role played by ethnic immigration, the patterns of socio-spatial diversification are similar to those identified in other European cities. A prominent difference is the lack of ethnic enclaves in the city area. Socio-spatial segregation, related mainly to economic and occupational status as well as age, is increasing, though it is not so that visible to the eye.

Warsaw is becoming more cosmopolitan with its residents being diverse with respect to lifestyles, attitudes and values held. The offer of recreational, culinary, cultural or religious services provided by firms, organizations and institutions are increasing, similarly the number of public services focusing on an international clientele is also increasing. Private international schools, kindergartens and nurseries are becoming more prominent in the city, but the authorities are also active in providing support to foreigners in Warsaw. In the period 2013-2014 there were 1,200 pupils from other countries attending schools in Warsaw, mainly from Vietnam, Ukraine, Chechnya, as well as Romani children (Open Cities, 2015). Along with the growing number of foreign students, temporary residents and those commuting to Warsaw from other regions of Poland, the city is becoming more diverse and, evidently, more open to *difference*. With its strong potential to attract newcomers and access to large land reserves within the city limits, Warsaw's population growth is expected to continue over the coming decades (Korcelli, Korcelli-Olejniczak 2005). Running parallel to this trend, one may anticipate a further social diversification related both to in-migration and internal social change.

# **3** POLICY DISCOURSES ON DIVERSITY

## **3.1** INTRODUCTION

Warsaw's specific character can be defined by the combination of traditional values and cosmopolitan flair, the burden of the past and its strong future-oriented ambitions. The main objective of this chapter is to explore the concepts and understandings of diversity as it is formulated in core policy strategies and programmes.

This chapter addresses the following research questions: What are the main policies dealing with diversity in Poland? How are policy discourses framed? Do they perceive the augmenting diversification of the population as a positive or a negative development? How are non-governmental actors addressing urban diversity? Are there significant differences between the national and the local level in this respect? Is diversity perceived in a positive or a negative way? Which aspects of diversity are highlighted or addressed and which are missing? What implications do the understanding and the interpretation of diversity have on the policies investigated? To complement the analysis on the prevalent discourses, a further focus for this chapter is put on the perspectives of non-governmental actors and on smaller initiatives that deal with urban diversity.

In Poland, there is no explicit policy strategy on diversity. The use of the term diversity mainly relates to economic, cultural and ethnic aspects associated predominately with migration issues. As noted earlier in the book, the post-war period featured a diversification of the population mainly in terms of divisions based on occupational status, cultural traditions and place of origin. The systemic political and economic change of 1989 has brought about the emergence of a new division line within the Polish society – one between the 'winners' and the 'losers' of the transformation process. This division applied both to various societal categories (determined by education, occupation, age and other criteria), as well as to places, while separating the relatively successful, multifunctional urban agglomerations from most of the middle-sized and smaller towns and rural areas (Czyż, 1998). Policy responses to these phenomena covered a wide spectrum of instruments, which are normally available and applied in market economies based on the welfare state philosophy. These included a rather liberal provision of unemployment benefits, disability pensions, early retirement schemes, as well as family support measures. Most recently, i.e. since early 2016, such measures have been supplemented by a generous child benefits scheme (the 500+ programme is directly dedicated to families needing social support or such with at least two children). The programme is to be interpreted primarily as a population policy instrument.

Of all documents analysed at the national and city-level, the most relevant reference to the topic of social diversity can be found in the *Strategy for Social Development of Warsaw* and the recently approved *Polish Migration Policy – Current and Postulated Actions.* The discourse highlights integration as the most complex area of diversity policy, while the focus on inclusion finds some reflection in the profiles of city-level governmental programmes and in the allocation of resources. The main results of the analysis (Korcelli-Olejniczak et al, 2015) regarding the policy discourse on diversity point to:

• the formal character of the diversity policy discourse related to non-discrimination and equal treatment, especially in the area of gender, age and disability which evolved under the direct influence of EU legislation and recommendations;
• the transfer and modeling of solutions used in the "old" EU to Polish migration and integration policy;
• a clearly general and declarative character of migration and cultural diversity policy in Warsaw.

It is also indicated that policy toward migration and integration in Warsaw is largely based on scattered actions, in the form of limited duration projects. There are weak relations between postulates formulated in national-level policy documents and their direct reflection in the city-level directives. This is mainly the problem of a lack of consistent migration and diversity policy in Warsaw. There is only weak evidence of active pro-diversity policy – the latter being chiefly the sphere of activity of non-governmental organizations. The main areas of diversity-related policies in Warsaw are: *integration via education* and *inclusion via social support.*

Following this introduction, we provide a brief account of the research methods used. We then report on recent international migration trends in Poland and provide an overview of the national political system and the governance structure relating to migration, integration and diversity policy at the national level. This is followed by a presentation of policy approaches towards migration and social diversity at the Warsaw level. We outline the governmental, as well as non-governmental, perspectives on the governance of diversity. We identify the importance of diversity as a policy issue and the objectives of the relevant policies in different fields, including those concerning social support, education and housing. Finally, we draw conclusions referring to the main research questions posed.

## 3.2   METHODOLOGY

The methodology adopted in this chapter is mainly based on the analysis of relevant documents, including strategies, reports and position papers. This review and analysis is to allow us to identify and to critically analyse the principal discourses in national and city-level diversity policies. For this purpose, results from earlier projects and research on the topic were also used. An additional source of information consisted of the outcomes of semi-structured

interviews and a round-table discussion with policymakers, experts and representatives from non-governmental organizations. The interviews were conducted with relevant policymakers representing different levels of the public administration responsible for various aspects of diversity policy, as well as with representatives of non-governmental organizations and leaders of bottom-up initiatives in the field of diversity policy. A round-table meeting was organized to validate the results of the analysis. The participants were selected from the policymakers and experts interviewed. The fieldwork was carried out in 2014 while the documentary analysis was conducted between 2014-2016.

## 3.3 POLICY APPROACHES TOWARDS DIVERSITY AT NATIONAL LEVEL

*Immigration to Poland*

Ethnic and cultural homogeneity is generally seen as a characteristic of contemporary Polish society. According to the Population and Housing Census of 2011, an 'other than Polish' nationality status was declared by 1.5 million persons, i.e. 3.8% of the total population. However, in the majority of cases (871,000), it typically coexisted as the second one with Polish national identity (Barwiński 2014). At the same time, non-Polish citizenship was held by 383,000 persons[9], out of whom 327,000 were also Polish citizens. Over 98% of the total population was born in Poland (Central Statistical Office, 2012). At the end of 2015, the number of foreigners who had valid permission to stay in Poland, regardless of the type of authorisation (e.g. for permanent residence, temporary residence, as long-term resident of the EU) amounted to 211,869. Out of this number, citizens of Ukraine had almost one-third of the valid cards to stay in Poland, i.e. 65.900.

Net out-migration has been a long-lasting characteristic of Poland's international migratory movement. It was at particularly massive scale during the 1980s as a result of political, social and economic crisis. According to estimates, around 1.1 to 1.2 million people left Poland for Western countries between 1980 and 1989, which represented the largest component – about one half of the total East – of Western migration in Europe at that time (Korcelli 1994). Changes that occurred after 1989, especially the liberalization of cross-border traffic regulations, have resulted in a significant growth of temporary, labour-oriented migration abroad, although emigration as such still remains a noticeable phenomenon. The conditions of international migration underwent significant changes. Key shifts in migration policy since 1989 is as follows:

- 1989-1996: a dynamic increase in migration flows with low border security and control, lack of clear criteria of entry for foreigners, lack of details and procedures of expulsion, no conditions to issue the residence permit, basic refugee protection provisions established along with the ratification of the Geneva Convention in 1991;
- 1997-2003: a decrease in migration flows as a result of widening of migration flows control, creation of a catalogue of criteria of refugee status, expulsion rules, enhancement of protection of the Eastern border, toughening of entry rules, limitation of asylum abuses;

- 2003 onwards: the period marked by EU accession (in 2004) and the joining of Schengen Area (in 2007), strong growth in the scale of 'temporary migrations' and a moderate increase in the number of 'permanent migration' outflows, further policy amendments in line with the EU regulations resulting mainly in an increase of intra-EU movement of workers and family members.

For the first time since World War II, Poland came into direct contact with global migratory movements after 1989. As a result of social and political developments, it has within a short time span become a country of transit as well as of destination for certain categories of migrants, including different nationality groups. In particular, in the early 1990s there was an influx of people from the former Soviet Union and Vietnam as well as of Romanian citizens of Roma origin. During that period some immigrant communities were established, including those of Armenian, Vietnamese and Ukrainian descent.

According to data released by the Office for Aliens, 121,219 foreign citizens held resident permits in Poland at the end of 2013. This figure accounted for 0.3% of Poland's total resident population. While being a rather marginal phenomenon at the national level, their presence displays a specific geographic distribution. In Mazowieckie voivodship, one of Poland's 16 administrative regions, their share is close to 1%, whereas in most other regions it does not exceed 0.2% (see: Figs. 1 and 2). This means that some 43% of all immigrants live in Mazowieckie, the overwhelming majority of the latter in Warsaw. Immigrants with a regular status – some 45,000 persons – comprise more than 2.5% of the city's total population. The actual number of immigrants, one that includes persons with non-regular status, is probably considerably larger and rather difficult to estimate. This is owing to the incomers' characteristics
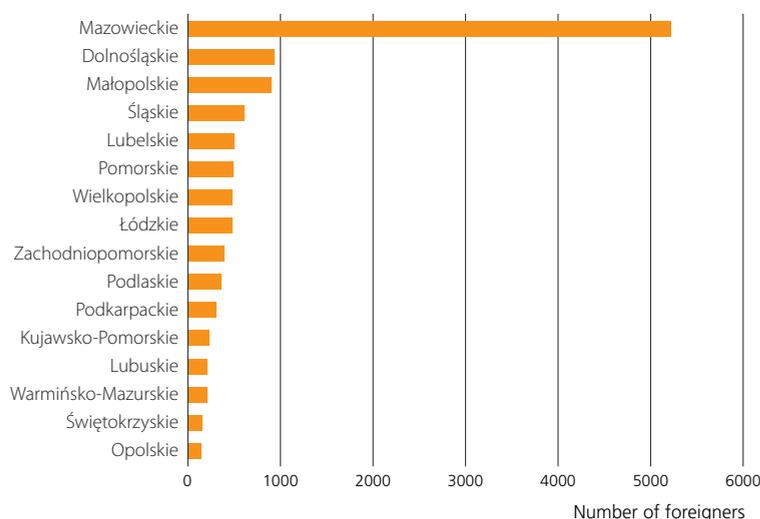


**Fig. 9** The number of foreigners holding a valid residence card, broken down by province, as of end of 2013 (Source: Office for Aliens, 2015).
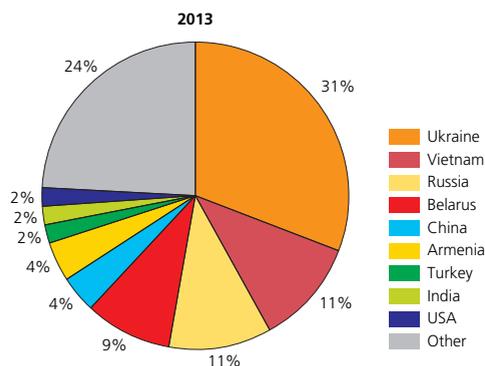
**Fig. 10** Immigrants by nationality (country of origin) as of the end of 2013 (Source: Office for Aliens, 2015).

such as their high mobility and a largely temporary nature of stay, often related to provisional work assignments.

In general, the information on the number of foreigners holding residence permits gives a very incomplete picture of today's immigration to Poland. Many comers stay in Poland on the basis of visas issued in relation to the work performed. The volume of visas issued by Polish consulate offices abroad has increased more by more the double to 1.4 million between 2008 and 2013, with most of these citizens from Ukraine (nearly half of the total), Belarus and Russia (especially people from the province of Kaliningrad). This data, as well as that on residence permits, suggests that a turning point in Poland's perceived attractiveness as migration destination was its entry to the Schengen Area (which took place in December 2007), rather than the EU accession in 2004.

While Poland today is a major point of origin of international migration (in fact, the biggest within the EU), and out-migration is a far more important social and political issue, it is anticipated that owing to rapid ageing of the population and dwindling labour resources the balance may turn around in favour of in-migration within the next 15-20 years. There are already signs of increasing in-migration, though mainly of temporary, work-related character. The growing number of work permits issued on the request of individual employers to non-EU citizens by regional – voivodship authorities, documents this recent trend. Whereas some 280,000 such permits were granted in 2012 (Sweklej, 2012), more than 720,000 relevant applications (out of which 98% pertained to prospective Ukrainian employees) were submitted during January – November 2015.

*Political discourse on immigration and integration*
Starting from the early 1990s, and partly motivated by the prospect of accession to the EU and later the Schengen Area, a number of legal, institutional and organizational initiatives were taken concerning the status of ethnic minorities, of aliens and refugees, as well as the system of border controls. Between 1989 and 2012 the new Aliens Act, and the Law on Citizenship (in 1997, 2003, 2005 and 2009) were adopted with more than 20 additional amendments. The

national minorities (those which were recognized as such, i.e. German, Ukrainian, Belorussian, Czech, Slovakian, Armenian, Russian, Jewish and Lithuanian) have been given a set of rights (together with financial means) related to the use of native language in education, local place names etc., as well as, above a certain population threshold, representation in the Parliament (*Sejm*). The foreigners who have been granted refugee status are entitled to social assistance, to free education in public schools and the right to health care on the same terms as Polish citizens. They can also gain financial support in order to advance the process of their integration into society, though this does not include housing allowances. Additionally, according to the law on public education (Dziennik Ustaw Nr 256, 2004) children of all foreigners who stay legally in Poland are entitled to education until the age of 18.

Although Poland is a relatively ethnically homogenous society, the concepts of anti-discrimination and equal rights are very strongly represented in the state law and in public debates. Nevertheless, immigration policy has received limited attention until very recently. Although there were some attempts after 1989 to establish consultative bodies at the central government level with the aim to formulate principles and delineate the vision of Poland's migration policy, this work failed to materialize in the form of a high-ranking policy document at that time. The government was the object of considerable critique by academic researchers and experts for a 'reactive' (rather than proactive) character of existing migration policy, and the lack of reflection on its goals and rules (Kępińska, Stola, 2004). Paradoxically, the widespread tolerance of employment of foreigners in the shadow sector of the economy is sometimes interpreted as the most effective instrument of Polish migration policy (Stola, 2012).

One aspect that does not fit into the picture presented above concerns an attempt to establish rules and instruments for the repatriation of Polish nationals from the territory of the former Soviet Union, primarily from Kazakhstan. This programme, which started in mid 1990s, was popularised and gained a fair degree of public support in Poland. Nonetheless, in spite of the provision of a legal framework, together with admission criteria, its results have proven to be rather meagre. This has to be attributed to insufficient financial involvement from the central government, including the transfer of repatriates' adaptation costs at the municipality level. The population forecasts, which were released by the Central Statistical Office in 2009[10], have provoked broad discussion, both in academic and political circles, concerning the demographic future of Poland. The emerging discourse on population change, as well as its social and economic consequences, has received a high profile owing to the active involvement of the President's Chancellery. The question of immigration was put back on the agenda of several ministerial offices.

Although academic and non-governmental organizations have reported the need to formulate and formalise the official approach towards immigration for a long time, Poland pursued its migration policy without it being an explicitly expressed strategy before 2012. Nevertheless, the scattered activities taken during that period can be treated as a manifestation of a relatively consistent policy, and the delay in its formalisation was interpreted by scholars and experts

as a deliberate act (Kicinger 2009). The formally defined migration policy pertained only to international protection and repatriates. Integration activities were present owing to the European Fund for Integration for Third-Country Nationals since 2009. Finally, on June 30, 2012 the Council of Ministers adopted the long awaited document on: *Polish Migration Policy – Current and Postulated Actions* (Ministerstwo Spraw Wewnętrznych, 2012).

The new document on Poland's migration policy was prepared by the Governmental Task Force on Migration. According to its records, an increasing importance on immigration is mainly perceived from the labour market perspective. There are, however, also three other categories of potential immigrants identified. These include: citizens of (other) EU countries, migrants coming from Poland's eastern neighbouring countries, and migrants from those, mainly Asiatic countries that have already established their presence in Poland (mostly members of the Vietnamese and Armenian diaspora), and with respect to whom several legalisation (abolition) actions have been conducted in the recent years. The strategy was developed under conditions of Poland's limited experience with the influx of migrants and the uncertainty concerning future demographic change. The recommendations are based on the instruments promoted by the European Commission and they concern a non-harmonised policy area. The content of the document refers directly to the experience of the "old" EU member countries rather than to policies implemented in immigration countries such as Norway, Switzerland or Australia.

It is emphasized in the subsequent discussions that the prevailing labour market-led policy implies the adoption by the immigrants, depending on their cultural background, of either individual market adaptation strategies, or ones based upon the ethnic-specific contact networks (Kazimierkiewicz, 2012). It should be noted that active measures for the integration of immigrants in Poland are still to be introduced. Exceptions are projects co-financed by the European Fund for the Integration of Third-Country Nationals. A new complex document referring to the integration of foreigners, prepared by the Ministry of Labour and Social Policy is still in the phase of elaboration and consultation (Ministerstwo Pracy i Polityki Społecznej, 2013).

Traditionally, a major political and social issue in Poland was the problem of emigration to wealthier EU countries, while the issue of immigration was met with little interest from the public and the political elite until recently. The migration crisis in Europe caused a massive influx of immigrants from Asia, Africa and the Balkan countries to the rich countries of the European Union. This resulted in the fact that Polish politicians and society had to take a position with respect to the problem. Although Poland remains a less attractive country for migrants, we observed an increase in an aversion to accept migrants and a growing fear of negative consequences of the influx of people of different (non-European) ethnicity and (non-Christian) religion.

The migration crisis in Europe that started in 2015 has serious repercussions in the opinions and attitudes of Polish society and the decisions taken by the government. It has revealed a

relatively high level of distrust toward immigrants coming from other cultures, representing other religions and social norms. On the one hand, it can be explained by prolonged difficulties in solving the uncontrolled migration problem by the EU, and also via various incidents involving migrants that occur in Germany and other countries that absorb large groups of migrants. On the other hand, in Poland, as in some other countries of the Visegrad Group, the recent migration crisis occurred parallel to the establishment of conservative governments promoting more traditional national values and distrustfulness towards various dimensions of social change. More and more often, both in governmental circles, newspapers and other mass- and social media, a lot of criticism is observed related to the EU's, and in particular Germany's, 'indulgent' migration policy.

So far as the EU policy pertaining to the refugee crisis is concerned, the Polish government's approach can be interpreted as two-sided. On the one hand, the implementation of the EU-Turkey agreement on the reduction of illegal migration flows is supported, on the other, signals are sent that indicate Poland's non-acceptance of the formally established refugee quota. This position is in line with the Polish Parliament's resolution of March 2016 on immigration policy, which rejected the EU proposal to set up permanent mechanisms on reception, allocation and relocation of migrants and refugees within the community. This stand is reflected in present-day public attitudes as evoked by the refugee crisis and the inter-related issues of crime, terrorism and general social costs. It is illustrated by results of recent public opinion polls, including those by Centre for Public Opinion Analysis (CBOS) and the Adam Smith Center.

The newly established conservative government, following the Parliamentary elections held in 2015, emphasizes the need to tighten immigration policy in order to guarantee public security. This attitude is anchored in public opinion and emphasizes the helplessness of the EU in dealing with the migration crisis and its inability to combat threats such as terrorism. One can observe a complicated situation with respect to diversity and the managing of social diversification, whereas the growing role of tradition and conservative values is combined with the rejection of certain facets of heterogeneity of society.


**3.4**    GOVERNMENTAL DISCOURSES AND THE GOVERNANCE OF DIVERSITY IN THE
        CITY OF WARSAW

Warsaw constitutes the main magnet for internal, as well as international, migration flows. Out of the total number of foreigners who received work permits in Poland in 2011 (40,808 persons), the region of Warsaw (the Mazowieckie voivodship) accounted for more than 55% (Central Statistical Office, 2012, p. 174). With respect to some immigrant groups the share is much higher – 85% in the case of Vietnamese, for instance (Rządowa Rada Ludnościowa, 2012, p. 186). Warsaw also attracts a disproportionate share of migrants coming to Poland from EU countries. The same applies to the category of foreign students. As there are no city-

**Fig. 11** Classification of policy documents concerning aspects of diversity in Warsaw (Source: Korcelli-Olejniczak et al, 2014 on the basis of materials elaborated by the Warsaw authorities).

level policies concerning the regulation of migration issues, migration to Warsaw is regulated by national level rules. Any questions that emerge are tackled by the Representative for Equal Treatment, who is nominated by the City Mayor.

An overview of key policy strategies and documents that are relevant to diversity issues in Warsaw is presented in Figure 11. The scheme displays a hierarchy of documents – a structure that has been followed in our analyses (Korcelli-Olejniczak et al. 2015). The most general document is the Development Strategy of Warsaw. The Strategy for Social Development of Warsaw is the key document that provides binding guidelines for social policy. Both of these documents are the result of comprehensive social consultations. The same concerns the Strategy of Culture Development, which addresses the complex issues of access to culture and cultural diversity. Final decisions on the content of both the strategy and the revitalization programmes were taken in partnership at the local level. Building upon the potential of social actors, the city and district authorities cooperate so as to tailor the policies to specific needs and requirements of local communities.

The governmental discourse at the city level reflects no direct focus on 'diversity', the issue being "not a prior filter which creates urban policy. There is an awareness of diversity but when compared to other European cities it is minor and therefore finds little direct reflection in this policy" (interview with representative of the Warsaw Office of European Funds and Economic Development). Still, in the Polish context Warsaw constitutes a testing ground for the recognition, understanding and implementation of diversity policy. Therefore, the notion of 'diversity' is present in various policy documents, though not as a mainstream topic. At the same time, it should be noted that:

a. diversity is an issue directly and indirectly recalled by policy-makers, urban activists, the participating public (residents) as well as other organizations and institutions dealing with urban and social development; it is understood as the result of an evolving process of social awareness, a consequence of globalization and metropolitanism;

b. there is a growing number of projects and initiatives aimed at the integration of immigrants; NGOs can obtain financial support for conducting actions in the field of migrant integration, multiculturalism etc. within open grant competitions announced by Warsaw authorities;

c. there are many concepts and notions present within the governmental discourse related to diversity, for example: 'strive for equality of opportunities', 'disparities', 'inequalities', 'common good' 'equal treatment', 'diversification of space and society', 'discrimination'.

In the main strategic document, the city of Warsaw is presented as:

*An attractive, modern, dynamically developing metropolis with a knowledge-based economy, the financial centre of Central Europe, a city of significant standing among the most important European capitals* (Strategia Rozwoju…, 2005: p. 14).

The document also claims that Warsaw is: "*an open and accessible community*" (p. 15). The above idea is elaborated within one of the operational objectives concerning Warsaw's tradition based on its cultural and national heritage. According to this objective:

*The status of capital city results in Warsaw being the most dynamically growing Polish metropolis, offering the greatest access to good jobs, good salaries and prospects of overall development and thereby attracting new inhabitants from all regions of Poland. Newer inhabitants of Warsaw are largely young and well educated. They are motivated to succeed and gain high material rewards. They offer Warsaw the opportunity to grow, therefore we will strive to make them think of the capital as a place to live, work and relax* (Strategia Rozwoju…, 2005: p. 35).

With regard to internal, as well as international in-migration, the document also states that: "*people are free to choose their occupation and residence, making decisions about their own lives and sharing decisions about their surroundings*" (ibid. p. 14). It should be stressed at this point that Warsaw's policy to attract migrants is mainly motivated by economic factors, related to the demand and capacity of the local labour market on the one hand, and the needs of the city budget on the other. Newcomers are seen so as to contribute to the overall development of Warsaw. However, in the view of the city authorities, the contribution of in-migrants as prospective taxpayers is also accounted for[11].

In the governmental discourse, diversity-related issues are tackled from both a normative and positive perspective and refer to phenomena of various importance. It is clearly possible to make a distinction between two dimensions of diversity: the rarely referred to positive phenomenon of social, ethnic or cultural mix, usually presented in a normative way[12]; and the dominant

approach, which is the negatively perceived diversity referring to socio-spatial segregation and social exclusion. This corresponds to the arguments presented by Fincher and Iveson (2008), who draw a divide between perceived '*desirable*' and '*undesirable*' diversity (p. 2).

Based on the contents of the Development Strategy (Strategia Rozwoju…, 2005), other documents analysed, and the interviews conducted, the following types of diversity-related phenomena are identified and ranked according to their importance in the political discourse:

- Socio-economic differentiation
- Inter-generational diversity
- Disability-based diversity
- Ethnic and cultural diversity
- Sex/gender-based diversity
- Diversity of lifestyles

The last aspect concerning the growing heterogeneity of lifestyles is only indirectly referred to in documents and interviews with experts. Nevertheless, the way Warsaw is presented as an open and tolerant city, built up of different people who often have not much more in common than the fact that they live or work here, allows us to relate to this issue as important, also in the political discourse on diversity. An issue obviously present in the discourse is Warsaw's potential as a magnet for internal in-migration pulled by the local labour market demand and tertiary education institutions. It should be interpreted as an expression of the city's economy-oriented pro-diversity policy.

As diversity-related issues are a phenomenon still not well investigated locally, the rhetoric of Warsaw's main strategic documents reflects a clear picture of diversity policy, which is focused on integration and inclusion of different social groups, while to a lesser extent on the recognition of various forms of diversity, especially when interpreted as an asset for urban development: "*Diversity of Warsaw is multi-dimensional and is being discovered these days. We still do not know enough about how diverse Warsaw is*" (R7). There are exceptions in this field. For example, there is a complex programme aiming at the integration of the Roma population – a regional level governance arrangement implemented in every voivodship and city, including Warsaw. The main objectives of the programme are to raise the level of education, social inclusion, health and activity of members of the Roma community. Another initiative is the recently proposed local programme related to the reception and integration of refugees, an initiative organized by the Multicultural Centre established in 2014, together with offices of the Warsaw Municipality and cooperating NGOs. The programme is strictly related to the 'refugee crisis' in Europe, the Multicultural Centre being an active actor in establishing a city-level platform for the expected reception of refugees from Syria.

In most of the policy areas the equilibrium between the acknowledgement of the presence of certain diversity issues and concrete intervention is slightly distorted. A representative from the

Warsaw Office of Education comments on this issue: "*There are a dozen of executive documents related to the Social Strategy of Warsaw – which is an overloaded, overregulated document – though each of them has a different form of implementation*" (R8). To a greater extent, the lack of equilibrium concerns the instruments of planning for recognition (compare: Fincher and Iveson 2008) than for redistribution and encounter, and relates predominately to pro-diversity policies (*diversity as asset – active pro-diversity policy*), the latter being in the first place the area of activity for NGOs. This implies that pro-diversity policies aimed at the recognition of diversity are mostly declarative. There are more specific activities undertaken within integration policies (*integration via education* and *integration via housing policy and urban renewal)* and inclusion policies (*inclusion via support),* which are targeted at the redistribution of resources and organizing spaces of encounter.

The analyses of the performance-based budget of Warsaw (Wieloletnia Prognoza Finansowa… 2012; Projekt Budżetu M.st Warszawy…, 2013) indicate that the majority of tasks and resources are related to those aspects of diversity policy that concern programmes within *inclusion via social support*.[13] On the other hand, education policy is one of the basic elements of the expenditure structure of Warsaw – in 2013 it consumed approximately 18% of all expenditure. The amount includes the maintenance of education infrastructure at primary and secondary level, teaching staff payrolls, etc., whereas activities related to diversity issues constitute only a minor component of the overall funding dedicated to education.

*Integration via education activities*
By far the majority of policy documents analysed highlight the need for social integration via education and the cultural development of different social groups – children, youth, foreigners, elderly people, the disabled, and the homeless (Korcelli-Olejniczak et al, 2014). The Department of Education of the Warsaw Municipal Office has been carrying out actions to support the equal access of immigrant children to education for a number of years. Among the most important are the following: the inclusion of foreign students in the Warsaw Educational Development Programme for the years 2013-2020; educational aids for teachers working with immigrant children; and financial support to NGOs working with foreign students.

According to a representative of the Warsaw Office of Education, programmes conducted by the Office are aimed at intercultural, intergenerational and social integration via education. The interviewee claims that: "*They support such attitudes as openness, tolerance, respect towards difference, counteracting hatred and violence*". The office is involved in the implementation of its programmes. It also organizes over a hundred competitions on an annual basis designed for tasks that are delegated to NGOs. This includes programmes targeted at the children of aliens in Poland. The representative of the Warsaw Office of Education (R8) also stresses that:

> *Educational policy is friendly to newcomers from other parts of Poland and abroad. This is natural for a metropolis, which is inherently created to a large extent by in-migrants.[14]*

The opinion above is in line with the programme related to the development of education in Warsaw (Strategia Rozwoju…, 2005). Within its framework, policies aim at equalizing the learning and out-of-school educational facilities of children and youth, including those that are at risk of social exclusion. The activities are managed "*by educational institutions, community centres, municipal cultural establishments and sports and recreational centres*" (p. 20). These issues are further elaborated upon in the Warsaw Educational Development Programme (Program Rozwoju Edukacji…, 2013), which diagnoses, analyses and indicates directions of educational development in the face of the changing demographic situation, uneven level of education attainment and the evolving labour market conditions.

The objectives of the Warsaw Educational Development Programme (Program Rozwoju Edukacji, 2013) follow national and EU directives, which concern the fair and equal accessibility of education at every stage of life. The educational system is to comply with egalitarian rules, which guarantee an early educational start, educational progress and the quality of education as components of social cohesion. The Warsaw Educational Development Programme refers to the Warsaw Development Strategy, which points to an increasing quality level and better accessibility of public services, among them education. It also indicates three strategic objectives identified by the Social Strategy of Warsaw. These nclude social and professional integration and reintegration, meaning cohesion between education and other dimensions of urban social policy – culture, labour market, social support and health care. The educational programme presents a truly pluralistic approach, one, which highlights the need for the coexistence of various social groups, and is aimed at a cohesive, inclusive and sustainable society at the national and city level. It introduces varied forms of economic, social and cultural integration for ethnic immigrants. According to the representative of the Warsaw Office of Education:

*"Here are programmes conducted which are directed at the integration of various social groups: children from different countries, disabled, elderly people. We are trying to attract non-governmental organizations as partners in our attempts. The programmes aim at integration; at the same time they respect other traditions and cultural behaviours."* (R8).

The Warsaw Office of Culture presents an analogous viewpoint:

*"One may say that we have old and new in-migrants from abroad in Warsaw. The old ones function well in the city, they are rooted here. The new ones still have to find their place. Cultivating their national culture helps them to keep their identity; other inhabitants of the city may learn more about them. We are open to grassroots initiatives and cooperation with NGOs. Sometimes we act as brokers bringing together different parties i.e. different cultural groups and organizations."* (R10)

The Warsaw Educational Development Programme, similar to the Warsaw Cultural Education Programme (Warszawski Program Edukacji Kulturalnej, 2009, p. 2), which promotes

'*intercultural or multicultural education*', points to it as a component of the development of a multicultural society. Also, the need for multicultural integration is highlighted in the activities of the Warsaw Office of Culture.

The governmental policies stress the role of education in integration policies, where special attention is paid to the equalization of educational accessibility and quality for all social groups. Those are, for example, the following issues (Korcelli-Olejniczak et al., 2014):

- recognition of inter-generational diversity, reflected in the access to education and culture, as well as activities aimed at supporting inter-generational solidarity (Strategia Rozwoju…, 2005; Społeczna Strategia Warszawy …, 2008; Program Rozwoju Edukacji…, 2013). The policies find an implementation in programmes such as the 'University of the third age' in the framework of which a variety of activities for elderly people are organized, or the programme 'Warsaw – Friendly to Seniors 2013-2020';
- the need to increase professional mobility (Strategia Rozwoju …, 2005, p. 21), in particular via support in obtaining education. Indirectly, the residents and migrants are to be given a chance of professional development and advancement, through other policies aiming at the development of a knowledge-based economy using Warsaw's scientific potential, extending and modernising academic centres, creating favourable conditions for business and investment – Warsaw Educational Development Programme 2013-2020 (Program Rozwoju Edukacji…, 2013);
- supporting positively perceived diversity as a way to promote Warsaw as a European centre of education and science, this being a magnet for in-migration from other regions of Poland and abroad. The international project '*Study In Warsaw'* supports the recruitment of foreign students and the internationalization of Warsaw's educational institutions[15];
- intercultural integration of foreign migrants in the society through education is reflected, for example, in training for teachers, preparing handbooks for intercultural education, and organizing educational centres operating in national languages. The majority of the activities within the Programme for Cultural Education (Warszawski Program Edukacji Kulturalnej…, 2009) aims at teaching tolerance and the acceptance of 'difference' and 'diversity'.

*Integration via education* should be considered the most complex area of diversity policy in Warsaw due to the fact that it corresponds to all three social logics as presented by Fincher and Iveson (2008), i.e. redistribution, recognition and encounter. It proposes various kinds of arrangements and programmes that relate to the integration of different social groups including children, elderly people, foreigners, disabled population, and students. The variety and complexity of the area, however, is not quite reflected in the allocation of budgetary resources (compare: Korcelli-Olejniczak et al., 2014).

*Inclusion via social support instruments*

General rules concerning social support are drawn in the Development Strategy and find a thorough elaboration in the Social Strategy (Społeczna Strategia Warszawy… 2008) and in operational programmes, which refer to selected aspects of social support related to inclusion. The Development Strategy (Strategia Rozwoju…, 2005) within operational objective 1.1. initiates the programme concerning the expansion of the social support system. The main aims of this policy are to assist the self-supporting activities of various groups and communities. Social services institutions are to support the activities of individuals and families aimed at resolving life problems (establishment of a network of crisis intervention centres). Social support is to be provided for children in dysfunctional families, as well as outpatient clinical treatment and rehabilitation of people addicted to alcohol, drugs and other stimulants. Disabled and elderly people are also beneficiaries of social support. Any architectural and communication barriers for the disabled are to be eliminated, and the employment of the disabled population is to be supported. Moreover, families with disabled children are to be protected and supported within this programme (ibid. p. 21). Most of the programmes related to the support of needy social groups are stimulated by the threat of social exclusion, a factor that weakens social capital. The quality of social capital is regarded to be among the most important factors that drive social and economic development processes (Społeczna Strategia Warszawy…, 2008).

The issue of *inclusion via social support* is the key subject to the following programmes:

- the programme 'Family' (Program Operacyjny Rodzina…, 2010), which concerns objectives such as providing assistance to people not capable of taking care of themselves, to those excluded from society, or endangered by exclusion, socio-professional reintegration of families touched by poverty, addictions, unemployment, homelessness or criminality;
- the programme 'Disabled' (Warszawski Program Działań…, 2010), the main concept of which concerns the creation of an open and accessible city in which suitable conditions for disabled people and their families are provided allowing them to be fully integrated in the life of their local communities, securing their access to information, labour market and public services. The share of disabled students has grown steadily, in 2011 it equaled 1.2%;
- the housing policy (Strategia Rozwoju…, 2005, p. 23; Wieloletni Program…, 2012), which touches upon the problem of council flats.

*Inclusion via social support* refers strictly to those policies that aim at addressing issues related to the negative aspects of social diversity. Its main focus is on redistribution (Fincher and Iveson 2008), although in many aspects it also touches upon the recognition of various social groups in need and also, to some extent, on encounter, when concrete organizational and institutional forms are created to support the groups threatened by social exclusion.

As highlighted above, the majority of tasks and programmes related to diversity-related issues concern social policy. They include projects and financial mechanisms aimed at people at risk of poverty and social marginalisation. The activities undertaken within the framework of social

policy encompass different types of diversity: socio-professional, family, ethnic origin and disability issues. In 2013, the budget for social policy in Warsaw accounted for 180 million euro, i.e. approximately 5% of the city budget. Assistance to foreigners within social policy amounted to approximately 180,000euro, which in relative terms is about 0.13% of the budget related to social assistance. Funds allocated to offices for the programmes concerning social support to the unemployed and to professional activation amounted to 7.73 million euro, which accounted for approximately 0.2% of the city budget, while the assistance to people with disabilities amounted to 1.85 million euro, and 0.1% of the total budget.

The EU finances a large category of programmes. In 2013 575 million euro (Projekt Budżetu M.st Warszawy…, 2013) was spent on such projects, where a considerable share concerned the inclusion of vulnerable social groups including: the activation of older people, *Active professionally 50 +* (26,000 euro); the increase of professional skills of unemployed, *Warsaw inspiration to work* (300,000 euro); professional activation of the disabled, *I can do more – social mobilization of the disabled* (50,000 euro), *Modern technologies of opportunity for professional development and activation of people with disabilities* (3,140,000 euro); professional activation of women, *Fulfilled, happy, employed* (4,000 euro); equal educational opportunities for pupils, *Children's Academy of the Future* (55,000 euro); professional activation for young parents, *Mom and Dad go back to work,* and *I go to nursery school* (530,000 euro).

*Inclusion via housing policy and urban revitalization*
In the Warsaw Development Strategy (Strategia Rozwoju…, 2005), housing issues are addressed under Programme 1.3.1. The policy declares that in order to assist the poorest inhabitants of the capital, the city authorities shall continue to develop the programme of council flat construction and support the activities of the municipal Social Housing Associations by granting them land on advantageous terms. The main objective of the Multiannual Programme of Management of the Warsaw Housing Stock is the provision of housing to the population most in need. The programme also introduces certain tools directed at supporting in-migrants, repatriates and refugees. Although these policies qualify as interventions, they constitute a declaration of public engagement and openness towards migrants in special need.

The long-term programme for public housing in Warsaw for 2008-2012 sets the objectives of increasing both the number of municipal and social dwellings[16]. The second edition of the long-term programme for public housing in Warsaw is revised for the following period of 2013-2017. According to the information provided by a representative of the Warsaw Housing Office, the growing supply of municipal dwellings in the coming years should fulfil the housing demand through to 2020.

The urban revitalization is listed among the operational tasks of the Warsaw Development Strategy (Strategia Rozwoju…, 2005). Concerning this task, 21 renewal projects were carried out in the framework of the Local Revitalization Programme for the years 2005-2013 in 14 out of 18 districts of Warsaw. These micro-projects covered over 11% of the city's area, inhabited by

almost 32% of the city population. The new Integrated Revitalization Programme for the 2014-2020 period is now in the implementation phase. The programme is targeted at the "*systematic, long-range improvement of living conditions in selected, deteriorated areas of Warsaw*" (Założenia, 2013, p. 2). The operational goals include: improving the quality of public space; providing facilities for the development of tourism and cultural activities; increasing public safety level; and preventing social exclusion. The programme is focused upon a part of Warsaw's inner zone situated on the right bank of the Vistula River, more specifically, the districts of Praga Północ, Praga Południe and Targówek. The district's accession to the programme, which is financed from the budget of the City of Warsaw, is assumed to be obligatory. Provisions of the Integrated Programme are an indication of the growing role that is attached to policies addressing the questions of urban decay and urban renewal[17].

*Active pro-diversity policy – diversity as asset?*

Following Wirth's 'Urbanism as a way of life' (1938) social heterogeneity (social diversity) is one of the four characteristics that define cities. The city government's mainstream discourse in Warsaw does not picture this criterion as a value *per se*, and focuses, as a representative of the Warsaw Office for European Funds and Economic Development puts it: "*rather on the identity of inhabitants and new inhabitants than directly on various aspects of diversity*". The stimulation of identity-feeling (belonging) is, however, also related to the recognition of the role of 'diverse' local communities and their 'diverse' cultural activities which integrate the residents and attract visitors to the city. The Warsaw Development Strategy says:

> "*Warsaw owes its local colour to the cultural activities of smaller communities: districts, estates and streets. Numerous concerts, artistic events, festivals, fetes, street and district celebrations contribute significantly to the integration of the city's inhabitants, in addition to attracting visitors to the capital.*" (Strategia Rozwoju…, 2005, p.16).

The Warsaw Culture Development Programme (Program Rozwoju Kultury…, 2013) envisages the city as a hospitable place for visitors and new inhabitants. It stresses that the City promotes 'diversity' and is interested in, and open to all kinds of, 'difference'. In line with the findings presented above, the programme supports diversity by supporting local identity development, enriched by tradition and the coexistence of different cultures and social groups:

> "*Culture is still underestimated when it comes to its role in the integration of different social groups. Problems of social exclusion are not just problems of an economic nature. Culture helps to build territorial identity, makes people feel responsible for the city and neighbourhood, makes them proud of being citizens, belonging to a specific community.*" (R9).

Diversity as an asset is also reflected in the governmental discourse related to the promotion of Warsaw as a magnet for immigration. This is connected with two arguments mentioned in urban policy documents. The first one, pointed to in the Warsaw Development Strategy and the Programme of Educational Development, is about support given to positively perceived

diversity via the promotion of Warsaw as a European centre of education and science, which enhances the position of the city as magnet for internal and international migration. The second concerns the economy-driven attraction of in-migrants from other parts of Poland and abroad, where newcomers are treated as those that strengthen Warsaw's economic performance, and, at the same time, the city budget by contributing to its tax base. The idea is highlighted in the Warsaw Development Strategy, in the Innovative Warsaw (2012) document and in the Programme of Supporting Entrepreneurship (2012).

While the activities to be undertaken by the local government, as presented in the documents analysed, are in the first place restricted to the provision of information about the need of increasing diversity awareness, recognition of various social groups, tolerance, the economy-driven need for in-migration, as well as to the establishment of conditions which would stimulate economy-driven in-migration, there are more and more signs of concrete actions as a response to current global challenges.

The first is the *Warsaw Multicultural Centre* initiative, which is arranged as a space for the encounter of immigrants by offering support, and also making use of the potential and creativity of ethnic diversity. Another project is the *Study in Warsaw* initiative included in the Educational Development Programme, which acknowledges the potential of Warsaw as an international centre of higher education. The city has also launched a programme concerning the *Enhancement of Accuracy and Effectiveness of Actions for Foreigners in Warsaw*, which was created as a response to the lack of a comprehensive policy toward immigrants and their integration. The project is to directly influence the functionality of immigrants by preparing a diagnosis of the state of the integration policy, of the effectiveness and accuracy of projects realized by non-governmental organizations, and by examining the accuracy of public funds devoted to the reception and integration of immigrants. The project is also expected to provide presumptions for the establishment of the Warsaw Programme for Integration of Foreigners. Another valuable initiative is the Social Dialogue Committee for Foreigners organized by the Municipal Office, which has about 30 participating NGOs concerned with the functioning of immigrants. Some of the projects were honoured by the *Open Cities Action* – an initiative aimed at the promotion of activities conducted by local authorities in Polish cities and devoted to governing diversity.

*Social integration and local identity*
As already mentioned, Warsaw is at a less advanced stage with respect to social and ethnic diversity, which stems from international migration when compared to most other cities in the European Union. Therefore, active policies aimed at diversity recognition are considered of lesser importance, while the implemented policy of integration and local identity creation constitutes the mainstream of diversity policy. Nevertheless, policymakers point to the need for the raising of awareness of residents towards diversity issues. This includes the acceptance of ethnic diversity, gender issues and sexual orientation. In this respect, the results of the public opinion polls indicate that a not a very high level of tolerance should, according to a

representative of the Warsaw Office of Education, be treated as "*still very unsatisfying*". The respondent claims that the broad issue of 'difference' is a mission which should be thoroughly tackled by non-governmental organizations, or dealt with in the framework of such social integration platforms as the Commission for Public Communication or the Centre for Public Dialogue that constitute a form of cooperation between the city and other, non-governmental bodies (Korcelli-Olejniczak et al., 2014).

At the same time there are also limits to integration policy as reflected in some aspects of policy discourse. There is, for example, a 'lukewarm' attitude towards ongoing neighbourhood gentrification processes. According to a representative from the Warsaw Housing Unit:

> "*This is quite understandable that the arrival of affluent newcomers causes socio-spatial conflicts. The old residents feel excluded within their own living environment, left without any measures to counteract this situation. They don't perceive their new neighbours, the new buildings in the surrounding as progress or advancement and as new opportunities for their district, but as an act of disrespecting their rights to the place.*" (R6).

What should also be stressed is that insufficient emphasis is put on the question of equalization of the positioning of men and women in society. There are only a few programmes mentioned in the policy discourse (Wieloletnia Prognoza Finansowa…, 2012) related to the professional activation and promotion of the position of women on the labour market, and the projects



**Fig. 12** The rainbow landmark in Warsaw, an element of dispute (Picture by A. Grycuk/CC BY-SA 3.0-pl/Wikimedia Commons).

implemented are low-budget ones (e.g. 'Professional Activation of Women – fulfilled, happy, employed' – 4,000 euro). While notable positive changes in this respect were introduced at the national policy level, the most recent *conservative turn* is expected to bring about a regression in this respect[18].

Also, whereas there are no legal regulations and no reflections found in urban policy on heterogeneity of sexual orientations, this type of diversity, contrary to the national level rhetoric, is not subject to enmity in the city level discourse. This moderately neutral attitude towards chosen aspects of diversity can be described when referring to the story of the rainbow landmark, exhibited in one of the central districts of Warsaw. The rainbow (tęcza), according to its author, is a symbol of rising awareness, of tolerance, love and hope, but also of emancipation of sexual minorities. While the city authorities permitted the arrangement of this construction, it became regularly contested by groups of conservative radicals and it was ultimately dismantled.

## 3.5   NON-GOVERNMENTAL PERSPECTIVES ON THE GOVERNANCE OF DIVERSITY

Knowledge concerning the perception of diversity policies as a component of urban policy in Warsaw derives from interviews with representatives of non-governmental organizations dealing with social, cultural and educational diversity, as well as with city-level officials engaged in diversity-related governance arrangements. Some issues tackled can be found in the Polish version of the Diversity charter[19], which interprets diversity as:

> *"Collective of visible and invisible features which differentiate the society (…). Among them are sex, skin colour, ethnic origin, fitness, health condition, age, sexual orientation, family status, life style, socio-economic status."* (Andrzejczuk, 2012).

According to most of the NGO representatives these aspects find only selective reflection in the political discourse in Warsaw:

> *"In most cases the ideas formulated in the documents are declarative in form, which in principle only scarcely contributes to the practice of daily life. The elaboration of many documents aims at demonstrating that the city authorities are active with respect to solving social problems."* (R2).

The above means that in practice most of the operational programs are *de facto* non-operational, though are referred to with very catchy slogans. Another important issue touched upon by non-governmental respondents is the non-holistic approach towards urban policy, which also includes diversity-oriented, or rather diversity-related, policy:

> *"Some features of which the phenomenon of diversity is composed of (gender type, life style, religion) are in most cases treated as problems of awareness rather than issues to be tackled by*

*urban policy, therefore they don't constitute separate aspects of labour, housing or social policy programmes."* (R1).

Interesting findings are related to the idea as to whether diversity is treated as an asset in urban development or not. The elaboration of the Social Strategy (2008) was, for example, dominated by the viewpoint that Warsaw can profit from in-migrants (if they take on education or work), and not necessarily directly because they contribute to diversity. Therefore, as claimed by a representative of the Foundation for Socio-Economic Development, "*The political discourse highlights projects aiming at intercultural communication, integration, supporting the obtaining of knowledge, language courses for in-migrants, etc.*" (R2).

The general perspective concerning the city-level discourse as expressed by NGO representatives is that policy documents do prohibit every kind of intolerance. Nonetheless, the frame for creation of openness and accessibility is too wide and too general to identify concrete programmes that actually promote diversity. This can literally mean that positively perceived diversity is not treated an asset *expressis verbis.* An argument that supports the results of the analysis of the documents' contents and interviews with policymakers is that there are visible contradictions between actions declared or postulated and those actually undertaken.

*Contradictions between policy and action*
When reflecting upon the city-level policy, an interviewee representing the Town Planners Association claims that: "*the main strategic documents envision Warsaw as a city that wishes to be inhabited by young, preferably well-educated in-migrants seeking education, work and leisure in the Polish capital.*" At the same time, there are no affordable housing programmes for young couples, which would encourage in-migration of the desired groups. On the contrary, the city invests in 'park and ride' systems on the outskirts of Warsaw, which promotes commuting to work from the metropolitan ring instead of implementing migration-stimulating policies.

There are, for example, contradictions between the general and declarative openness of policy to diversity (Strategia Rozwoju…, 2005), and programmes that aim at sustaining local identities on the sub-local, i.e. district-specific level. A way of solving this conflict is proposed by a representative of the Foundation for Socio-Economic Development who argues that:

  "*Social policy identifies local identities; the realization of spatial policy should correspond to that. This means that certain areas within the city should not be subject to strong gentrification and that newly constructed housing estates ought to have a diversified social composition.*" (R2).

Diversity policies should, for the sake of local identity, aim at sustaining some elements of spatial-functional urban structure, which are treated as 'upscale and posh' – e.g. districts of Saska Kępa, or old residential Żoliborz – and, at the same time, prohibit the spreading of polarization and fragmentation. The above is reflected to a certain extent in the local revitalization programme (see: subsection on Housing and Revitalization), which aims at

a socio-spatial integration within neighbourhoods and city subareas. There are housing programmes, for example those targeted at young people including young in-migrants, that contribute to an opposite process by supporting new private housing investments in suburban locations rather than affordable housing in the inner districts. According to the representative of the Association of Polish Town Planners *"the former would create desirable socially and generationally diverse places"* (R1).[20]

*Migrations and ethnicity – 'glass jars' and ethnic minorities*
Most interviewees are critical with respect to the existing policy instruments aimed at attracting in-migrants to Warsaw. This, according to their opinion, also concerns labour policy, which is incoherent and inconsequential. Despite the fact that a department dealing with aliens exists, it is a national level institution. The city-level policy is purely declarative; on the other hand it is very liberal, as the domicile registration is not enforced, for instance. While the residents are encouraged to register their domicile, non-registering is not really penalised. For example, de facto residents can make use of a plethora of public services in the city such as medical and educational facilities without restriction. Although this concerns mostly in-migrants from other regions of Poland, indirectly it is an unplanned way of stimulating diversity.

The attractiveness of the Warsaw labour market for temporary in-migrants generates the so-called 'glass jar phenomenon'. The notion refers to those in-migrants who treat their stay as temporary, work in Warsaw while paying taxes in their place of origin[21]. This category of in-migrants is sometimes blamed by the long-term residents for causing wage-dumping effects. In reality, some of the representatives of this category, once succeeding on the labour market, decide to refer to Warsaw as their permanent place of residence.

Whereas the 'glass jar' phenomenon sees little attention in the official discourse, the issue of ethnic minorities and their role in the city are also underestimated: "*It is believed that there are also aspects of ethnic migration not articulated in the policy discourse*" (R2). According to the interviewee, in the last seven years in the district of Grochów, which is situated on the right-bank of the Vistula River, there a relatively large group of immigrants from abroad has appeared. There is a trend towards the development of ethnic settlement clusters of Roma people, Vietnamese or immigrants from the Balkans. The most numerous minorities, however, are immigrants from Eastern Europe, usually the former Soviet Union, largely represented by young population groups, most often workers and students.

There is an opinion that "*Religious and ethnic diversity is obvious, but the city gives no effort to recognize it or benefit from it*" (R2). The respondent claims that diversity should be considered an important attribute of Warsaw, deriving from the city's multicultural heritage and its geographical situation. As, according to many opinions "*For foreign immigrants Warsaw is often treated as a temporary destination on the route to the West*" (R4), the city authorities should focus on altering this perspective. Ethnic diversity and the importance of migration are recognized by non-governmental organizations, which support a multicultural dialog via organizing numerous

occasional events, workshops, exhibitions and which, at the same time, conduct their own activities on a regular basis aimed at integration, not necessarily assimilation. An example of such an initiative is Diversity Day, organized by the Forum of Responsible Business.

According to the interviewed representative of the Autokreacja foundation: "*Migrations contribute to the overall knowledge; people learn via natural contact with each other*". The NGO organizes workshops concerning multiculturalism, understood as the acceptance of different cultures in the workplace. The workshops are usually oriented at immigrants who, due to cultural differences, encounter difficulties when seeking employment. The foundation Autokreacja has produced a leaflet under the catchy title *Dialogue in the first place*, where the participants of the workshops share their experiences. The interviewee claims that the foundation never received any funding from the city, although such financing concerning the integration of third country nationals is possible, and NGOs may apply for it: "*The overall interaction between city-level policy and the activities of non-governmental organizations in the sphere of diversity is still weak*". One of the actors who attempts to break through this deadlock is 'New Space', a foundation that arranges public dialogue groups that attempts to influence urban policy and its priorities[22] via such activities.

*Inter-sectoral cooperation and interaction*
There is considerable evidence on the variety of activities undertaken by NGOs that concern different dimensions of diversity. These are related to, for example, the promotion of cultures, social dialogue, the identity of ethnic groups, social assistance and integration policy, or to the promotion of positive attitudes to diversity in certain environments (workplace or place of residence). Less explicit is the cooperation between the local governmental activities and non-governmental actions. As much as it is declared in documents (Social Development Strategy, Development Strategy, Warsaw Educational Development Programme), according to a representative of the Foundation for Responsible Business:

> "*The cooperation with city authorities is limited to general initiatives, connected with the 'smart city concept'. The city also organizes 'soft' initiatives and bodies such as the Commission for Public Communication or the Centre for Public Dialogue. Within such platforms the city engages and clusters non-governmental organizations dealing with selected issues.*" (R5).

According to a representative of the Warsaw Development Forum, the cooperation between the NGOs and the city in the area of diversity has different dimensions. There are programmes developed, and funds made available, for supporting various kinds of activities. The city also offers complementary grants to organizations that receive financing for large projects from other organizations, such as the Stefan Batory Foundation. On the other hand, the city frequently benefits from the activity of the NGOs when aiming at the achievement of its own objectives, so the cooperation cannot be, in most cases, described as based on true partnership. An interesting exception to this rule is the Local Systems of Support Programme, based on the cooperation of the Office of Support and Social Projects and consortia of non-governmental

organizations. The programme supports the educational attainment and achievements of children in dysfunctional families, and can be treated as a flagship example of local inclusive diversity policy. The non-governmental viewpoint concerning diversity policy is that it focuses on some areas, but neglects others. According to a respondent from the Foundation for Responsible Business:

*"The most important diversity-related questions with respect to the labour market concern: the disabled population, the gender-related equity policy and generational diversity. Other dimensions of diversity such as ethnic origin or sexual orientation are treated marginally."* (R5).

An interesting aspect that polarizes the governmental and non-governmental attitudes, as well as public and private space connected with the labour market, is the perception of discrimination at work. The Polish Diversity Charter, launched in 2011, has activated numerous NGOs, academic circles, and organizations dealing with all sorts of discrimination, while the Warsaw authorities have not fully acknowledged the initiative. Many private firms and non-governmental organizations, but practically no public actors, have signed the Charter. The Forum for Responsible Business is, however, in the course of negotiating the conditions for establishing an interaction platform between the Warsaw Office of the Mayor and the Charter initiative. The city authorities have declared readiness to sign the Charter and to promote the idea among other public institutions, schools and cultural centres.

*Evidence from the sub-local level – governance arrangements and initiatives in Praga Północ*
While researching the activity related to strengthening social cohesion, fostering social mobility and supporting the economic performance in Praga Północ – the DIVERCITIES case study area in Warsaw – 15 projects were selected as those which touch upon key aspects of social diversity and inequality in the district. The initiatives referred to reflecting to a great extent on the main trends of Warsaw urban diversity policy in general, while focusing on the main social problems and specificity of Praga Północ as such. The majority of initiatives focus on fostering social cohesion in the field of a widely understood integration policy, mainly via education and cultural activities. When referring to beneficiaries or the target audience, the dominance of children-oriented initiatives is indisputable. This concerns the projects coordinated and financed both by public and non-profit actors. Another important niche is social support delivered to people touched by various forms of social exclusion (poverty, homelessness, disability).

The majority of initiatives are oriented at tackling the negative aspects related to poverty, as well as economic and educational disparities. Particular attention is paid to the enhancement of educational performance and equalization of educational opportunities for children at risk of social marginalisation. This area of intervention is characterised by a dominant role by public and public-non-profit initiatives. A profound example is provided by the previously mentioned projects carried out by consortia of non-governmental organizations financed and coordinated by the Warsaw Offices of Labour and Social Support and projects in the framework of the Local Systems of Support programme, which aims at combating social exclusion deriving from socio-

educational inequality. The innovative character of such arrangements is based on the important role of the city authorities, which provide institutional and financial schemes for cooperation and coordination of activities of different actors involved in the social support of children. This arrangement constitutes a local semi-partnership initiative (compare: Geddes, Benington, 2001) based on an open cooperation between a public partner and NGOs, which chose to collaborate within a formalized consortium. The engagement of the Office of Support and Social Projects to organize the effective framework for cooperation between NGOs, schools and Social Support Centres is considered as an organizational innovation.

The aspect of fostering social cohesion, strengthened by the task to enhance social mobility, is approached both directly and indirectly in the projects analysed, which address both the positive and negative aspects of diversity. Positive aspects are reflected upon in the private, commercial initiative launched by the Praha cinema, which organized movie projections for women connected with educational workshops devoted to strengthening the self-esteem and creativity of the inhabitants and presenting their diverse societal roles. Another example of such an attempt is the non-profit project engaging senior residents and aimed at exploiting their professional and social capabilities.

Apart from the example above, and the Local Systems of Support projects, social cohesion is focused upon by other, usually smaller but sometimes very creative, initiatives such as the Social Street Circus, a pilot non-profit, neighbourhood and group-based project. Another case is 'Neighbourhood Libraries', a grassroots initiative contributing to social cohesion by creating a space of encounter for socially diverse residents in the immediate surroundings. Still a further example is the 'Days of Michałów and Szmulowizna' project focused on fostering cohesion and strengthening the economic performance of the area via social integration of the local community. This, as well as the 'Neighbourhood Libraries' project, explicitly identify diversity evolving from the cohabitation of 'native inhabitants' and 'newcomers' whose significant presence is a consequence of new multi-family developments characterised by a considerably higher standard in relation to mostly neglected, pre-war tenement buildings in the surrounding area.

According to most evidence, the aspect of social mobility of women and elderly people finds smaller reflection in actions carried out in the area investigated. While the limited attention paid to the ethnic issue reflects the still low share of ethnic diversity in the case study area, the question of professional mobility of the female population should be treated as a serious deficit within the local undertakings. Social mobility is generally approached within initiatives directly combating poverty and social exclusion – homelessness and unemployment within the projects of the Open Door association, the Salvation Army or the Job Centre for the Youth. The first two initiatives also contribute to social cohesion by redistributing resources and organizing forms of encounter.

As the interviews with representatives of the Offices of Support and Social Projects and European Funds and Economic Development confirm, 'old Praga' is beginning to be perceived

**Fig. 13** A local initiative aimed at social encounter of diverse groups of residents (Picture by F. Piotrowski).

by local authorities as an area of innovation and creativity[23]. Yet, the initiatives targeted at economic performance are usually not locally oriented (the districts of Praga or Targówek), but have a city-level perspective, or at least involve activities carried out in different areas of Warsaw. As illustrated by the example of the Warsaw Forum of Entrepreneurship, such projects tend to be dominated by public actors (e.g. Warsaw Office of European Funds and Economic Development). These projects address the economic diversity of inhabitants, as well as for entrepreneurs. The project analysed (The Warsaw Forum of Entrepreneurship) exemplifies an approach according to diversity being understood as an asset.

The investigation has proved that in spite of the intensity of social problems, the researched areas have considerable social potential deriving directly from their socio-economic and cultural diversity. The concomitance of dysfunctions and exclusion expressed by a high level of homelessness, poverty, pathologies and, at the same time, the presence of well-educated, relatively affluent inhabitants (a majority of the new residents), results in the development of local social participation. Its form of expression involves movements and initiatives aimed at an improvement of the local milieu. The main resource of those initiatives, identified as their main success factor, is based on the social capital of individuals responsible for the creation and development of initiatives and the social potential of the neighbourhoods.

## 3.6   CONCLUSION

Since 1989, i.e. within a relatively short time-span, Poland experienced multiple changes concerning its political and economic systems, as well as the demographic and social composition of its population. These changes have led to the growing diversification of the

urban population in social, economic, and to some though rather limited extent, ethnic terms. The most visible trend is the progressing differentiation of lifestyles, attitudes and the activities performed. As a policy issue, diversity can be depicted as a multi-dimensional, and at the same time, a fragmented phenomenon. While some diversity aspects are already highlighted, others are still at the stage of being discovered. Owing to the recent developments in Europe, related to the so-called 'refugee crisis', new challenges arise that correspond to existing social structures, policy directives at the national and city-level and the general public discourse on diversity as such.

Although still a marginal aspect, as identified in most policy documents, the concept of social diversity was becoming increasingly prominent in the public debate before the influx of refugees from Africa actually began. The fact is reflected in the adoption of the *Polish Migration Policy – Current and Postulated Actions* and the works on *Polish policy of integration of aliens.* The analysis of these documents indicates that they are largely inspired by experiences and standards of the EU countries and the European Commission recommendations in the field of integration. The content of the documents includes direct references to the experience of the "old" EU member countries. A significant role in transferring EU regulations in this field has been played by technical documents relating to the European Fund for the Integration of third-country nationals.

The parliamentary elections of 2016 in Poland, won by the conservative Law and Justice party, have brought about a considerable re-evaluation of the national-level rhetoric concerning migration policy, ideological attitudes and the role of the state. The moderately positive attitude towards Polish engagement in the reception process of refugees, as declared by the previous government, has been questioned, especially in the face of terrorism that shook many places in the world. The main arguments raised refer to the safety of Polish citizens, being the prior objective of national policy.

The trend described has not touched city-level policy markedly. The city's 'foreign policy', its moderately open attitude towards diversity and all kinds of 'otherness' is mainly a result of the ideology represented by the current, liberal local government. As much as the city-level diversity policy is restricted to local issues, the discourse unveils friendliness and tolerance to any form of social 'difference'. This pertains to potential immigrants, as well as to the continuing population inflow from other places, and regions of Poland motivated by the city's large and diversified labour market demand. A profound example of city engagement in immigration issues is the elaboration of a programme concerning the reception and integration of refugees. Cooperating offices of the city authorities coordinate the programme with its main tasks performed by the Multicultural Centre.

Neither social diversity nor more specific issues connected with the integration of immigrants were considered as priorities in the *Strategy of Development of Warsaw to 2020*, and currently the Strategy is subject to a substantial revision that accounts for issues such as diversity and

inclusiveness. Also, elements of such policy can already be found in strategic documents concerning individual areas of activity of the Municipal Office of Warsaw, especially concerning education and social assistance. Still, with the exception of some specific actions undertaken, the official diversity-related policy of the city of Warsaw is predominately a reflection of its statutory obligations[24].

The gap resulting from the lack of strategic documents devoted to the issue of diversity and social inclusion is also partly filled in by work on projects ("*Enhancement of Accuracy and Effectiveness of Actions for Foreigners in Warsaw* and *Group of Coordination of Actions for Foreigners, National and Ethnic Minorities),* which aim at the integration and coordination of actions focused at the alien population, and which are undertaken by the Municipal of Office of Warsaw. One of the concrete outcomes reflecting a growing consciousness related to the issue of diversity was the opening of the Multicultural Centre in 2014, as well as the establishment of the Social Dialogue Committee for Aliens in 2012.

A considerably belated but growing involvement by the municipality in the development and implementation of policies addressing urban diversity in Warsaw is mitigated by the active role of non-governmental organizations with their solid conceptual expertise and practical experience covering a broad spectrum of diversity evidence. Hence, the legal documents and their postulates find concrete expression in tasks that are undertaken mainly by NGOs with some support of the city, also in the form of grants and direct participation. The majority of actions taken on local ground involving non-governmental organizations are conducted as time-limited projects with external sources of financing, usually EU funds allocated to such aims.

# 4  RESIDENTS DEALING WITH DIVERSITY

Why do people move to, or stay in, socially diverse and often deprived city areas? What aspects do they value most in their neighbourhood? How do they use its space and facilities? Do they practice their daily activities within their residential neighbourhood or mainly outside of the area? Where do these people have friends and where do they find their support? Is the neighbourhood of importance to them or not? Do they in one way or another profit from the diverse population of their residential areas? This chapter aims at answering these and other related questions, and portrays how residents deal with their socially diverse, deprived, yet dynamic neighbourhood. This chapter is based on interviews with 50 residents from one of the most socially diverse districts of Warsaw – Praga Północ. The interviews were carried out between October 2014 and March 2015.

## 4.1  PRAGA PÓŁNOC – DIVERSE, DEPRIVED AND DYNAMIC

The research conducted focuses on one of Warsaw's 18 administrative units – the district of Praga Północ. The area is inhabited by 67,984 people (Statistical Yearbook of Warsaw, 2012) and is considered to be one of the most diversified districts in terms of demographic, as well as socio-economic status (Węcławowicz 1992, Stępniak et al. 2009). Its diversity is reflected in both the physical, an in the social dimension. Pre-war, neglected, municipally owned tenements are neighbouring new buildings constructed by private developers. The level of unemployment and the share of social assistance beneficiaries is the highest of all of Warsaw's districts (Ranking of warsaw district…, 2013). At the same time, a gentrification process related to recent inflow of people representing generally a higher income- and educational status is taking place.

Social diversification in Praga Północ derives, to a great extent, from urban policy – explicit or more often implied, and followed at various stages in the last century. This refers in particular to the post-World War II 'intentional exclusion' of the district by socialist state authorities[25], and the new post-1989 approach represented by the city, including place-based urban revitalization projects, infrastructural investments, as well as the appearance of a 'vogue for Praga'[26]. The Praga Północ we undertook research on is therefore developing as a kind of 'dual city' – a mix of new public and private investments, a specific 'creative-cultural' milieu with a bohemian atmosphere against a backdrop of socially deprived environments, devastated pre-war housing stock, cheap tenement buildings and a touch of local folklore. This diversity is considered to be a general pull factor that attracts new residents, mostly representatives of the middle class.

Praga Północ features an overrepresentation of inhabitants with low education attainment, a high share of unemployed (150% of Warsaw's average) and the highest share of the population receiving welfare benefits (social support granted per 1,000 inhabitants equals 200% of Warsaw's average). The concentration of disadvantaged families in the area is related to the high share of city-owned housing stock, which accounts for almost 45% of the total against 19% in Warsaw on average (Local Data Bank CSO, 2015). Pre-war tenement buildings are often in a state of advanced deterioration.

Along with the political and socio-economic transformation, which brought demographic, ideological and cultural changes, the district has become a fashionable place and is now exhibiting signs of gentrification by attracting migrants searching for inexpensive dwellings, as well as representatives of the creative class, and people who appreciate and can make use of the local *genius loci*.

*"Old Praga appeared in the second half of the 1990s as an area of artists (painters, sculptors, musicians, performers, fashion designers), unusual venues in old tenements, experimental theatre spaces – a bohemian domain. Art has spread across the right bank of the Vistula River (among others the Cultural Centre Fabryka Trzciny)."* (Derek et al., 2013).



**Fig. 14** Praga Północ between yesterday and tomorrow (Picture by F. Piotrowski).

New housing developments, as well as commercial and infrastructural investments, attract migrants representing different lifestyles and attitudes. These processes have slowly begun to change the negative perception of the district, once stigmatized as a poor and dangerous area.

## 4.2   METHODOLOGY

We have applied a dual procedure with regards to the selection of interviewees for the analysis reported on in this chapter. On the one hand we have tried to sustain a balance between the basic socio-economic and demographic categories – the respondents represent various age and income groups, levels of education and family status, including married, cohabiting in hetero- and homosexual households, singles, including widowed and divorced, single parents and couples with children. On the other hand, with reference to the ongoing change as observed within the district, we have included the length of residence in the area as an additional, but fundamental selection criterion. This is also the basic way we proceeded in our research – searching for 'locals' and 'newcomers' in different age categories, males and females representing various educational backgrounds, lifestyles and attitudes towards urban space and their neighbourhood as place of residence. We took advantage of various ways of accessing respondents by entry points, using contacts established during previous research with local initiatives, through the Policy Platform, acquaintances of people who live in the district, contacts established during our own investigation of the area, and we avoided the negative effects of snowballing. The slight imbalance between the representations of 'newcomers' and 'local' inhabitants is a result of a socio-psychological 'closeness' of the latter and, generally, a lower level of both interest and trust shown to the potential interviewers.

Complying with this idea, two basic groups are identified. One are the 'locals', 'long-term' or 'old' residents, i.e. those people who were born in the area, have lived in the district for at least 20 years, or are offspring of pre-war and early post-war inhabitants. The other group, the 'new' residents or 'newcomers', are recent in-migrants from other parts of Warsaw and other regions of Poland, along with immigrants from other countries. Each of the two groups distinguished are diverse with respect to socio-economic and demographic parameters but share some distinct characteristics concerning the relation to the area occupied and the level of cultural capital. Apart from the above categories, at various stages of the research and analysis additional sub-categories of residents have been identified which are related to the functional and emotional perception of the neighbourhood and social interaction.

The groups mentioned, including those based on functional relations and emotional connected-ness with space and people, compose a matrix of local hyper-diversity patterns. Ethnic diversity, which constitutes an aspect of secondary importance in the area under investigation, is also represented in the sample. Five out of 50 interviews were carried out with foreign-born residents who are considered as 'newcomers', even though their relation with the research area is in the majority of cases relatively long and emotionally based. We tried to sustain a

balance between the basic socio-economic and demographic categories; however, we failed to achieve a reasonable gender balance having 16 male and 34 female interviewees. The age of the interviewees ranges from 22 to 83 years. Most of the respondents (45) were born in Poland, two in Chechnya, one in France, Ukraine and the US respectively. In terms of household tenure, 25 people lived in owner-occupied households, eight were renting flats from the municipality, and three were renting dwellings on the private market.

About one third of the interviews were held at people's homes. Most people did not feel comfortable to be interviewed at home; therefore we met them in public places, usually cafés. All interviews were recorded and transcribed and then analysed using the qualitative data analysis software NVivo.

## 4.3   HOUSING CHOICE AND RESIDENTIAL MOBILITY

Why do people choose to live in the diverse and deprived neighbourhoods they live in now? How much of that decision is it a choice, and how much a necessity? To what extent has the diversity of the area been a pull factor? What other factors are decisive in this respect? To what extent do people experience the move to the area as an improvement of their residential situation? Our aim is to answer these questions in this section.

Our research area is slowly gaining popularity as a relatively fashionable but at the same time, a quite inexpensive district to live in. It is also characterised by a relatively high share of inhabitants living there since birth, which is around 55%, just on 5 percentage points above the Warsaw average. This can be explained by a lower housing mobility of families living in municipally owned buildings. The total stock of municipal housing is more than twice as large as the average for Warsaw. A large share of this stock is in bad condition and with poorly equipped infrastructure. At the same time, Praga Połnoc is one of the two districts (another is the inner-city district of Sródmieście) characterised by a long-term net residential outflow. This is mainly due to the resettlement of inhabitants of the tenement houses, the condition of which did not allow for their further use, as well as the low level of new housing investments. For the whole post-war period, the district has been characterised by population loss, while the entire city has been gaining new inhabitants. Currently, distinct population shrinkage in the district is caused by natural decrease and net migration outflow. Inter-district migration accounts for two-thirds of the residential outflow in recent years. Still, the official statistics do not account for a number of non-registered intra-urban moves, mostly of young people into the district. The overall negative migration trend becomes less articulated in recent years. According to our empirical data, most inhabitants based the decision to move to the area on investigation of low housing prices and relatively good accessibility to the city centre. Other factors, including social diversity, played secondary role in some cases, but were usually of low importance or even considered as a disadvantage.

*Why moving to Praga Północ?*

In our investigation of factors of residential mobility, migration and housing choice we adopt a dual perspective by referring to the length of residence in the district and the motives of location and housing characteristics. In the case of 'old' inhabitants we analyse both the mechanisms preventing people from moving and the triggers for moving out (Mulder, 1996). When analyzing the motives behind the behaviour of the 'newcomers', we focus on reasons to move to the area as an expression of either residential mobility or migration.

The analysis conducted presents a rather simple picture of individual residential choices as taken by the interviewees. It can generally be argued that the residential choice has varied over time, with a sharp divide in the late 1980s and early 1990s, when the systemic transformation in Poland altered the opportunities and constraints related to housing occupation, thus increasing the residential and spatial mobility of the population. Changes in the housing allocation process comprising public and cooperative housing, the effects of socio-economic liberalization on both the demand and the supply side, as well as general trends related to metropolitanism that have stimulated an inflow of migrants to Warsaw are among the important factors of residential mobility since 1990. As a district with a large share of municipal housing, mostly communalized pre-war private property, Praga Północ has gone through stages of population inflow mainly via the allocation of social housing.

In the analysis of location and housing choice we consider the general and specific goals to be achieved when changing place of residence (De Jong and Fawcett, 1981; Lindenberg, 1990), as well as factors which facilitate or hamper the actual process of moving (Mulder, 1996). It becomes evident that both opportunities and constraints are important factors determining the decision to move and to choose a place of residence. Two main triggers can be distinguished: cheaper housing and family life-course reasons. These are further divided into subcategories. The two basic motives are usually accompanied by secondary additional triggers including 'comfort' (good living conditions), 'affiliation' (feeling of belonging) and 'morality' (values, tradition, local rules).

The category of answers (motives) related to inexpensive housing and beneficial living arrangements had reference to the following situations that people mentioned:

a.  they obtained council flats or purchased relatively inexpensive flats in housing cooperatives (usually concerning the period before 1989 and people who moved to Praga before the systemic transformation in Poland);
b.  they exchanged flats with a family member, or returned to the family house;
c.  they purchased a flat in a newly constructed building for a price lower than in most other, centrally located districts of Warsaw[27];
d.  they bought a flat after 1989 on the secondary market, where the relation of price and size was beneficial considering conditions prevailing in Warsaw;
e.  they rent a flat at better prices.

A large group of interviewees who have lived in Praga for at least 15-20 years claim that they have been allocated a tenement/flat in a housing cooperative or came to live in a flat belonging to a family member or exchanged flats with a family member. Interestingly, the more recent residents also refer to the affordability of housing as the main factor for moving to Praga. In this category two basic groups can be distinguished. The first consists of students, or young professionals, usually single, childless or living with a partner. The second comprises people in a difficult financial situation. They tend to live in rented dwellings and highly appreciate the low housing cost in the area.

Affordability of housing as a key factor of residential choice refers to all groups interviewed irrespective of the level of education, socio-economic or family status, household composition as well as age: *"I have moved in here out of housing reasons. This is a council flat"* says a middle-aged woman, (R39, woman, 43, single parent with 2 children, secondary education), similarly a retired state official explains that she left her large private apartment in a housing cooperative to her grown-up daughter and came to live with her partner at that time: *"I moved in with him 21 years ago, we were not married yet, this is a council flat without central heating"* (R10, woman, 63, couple without children, tertiary education). *"There were days when people got flats. Here was one available"*, says a woman, who has lived in Praga for over 30 years (R36, woman, 60, single household, tertiary education). This situation also concerned a 49 year old artist who moved to Warsaw after getting married to a woman from Praga Północ. "*We met at the Arts Academy, and as there were no better possibilities, we came back here to live in a council flat"* (R27, man, 49, couple with six children, tertiary education).

There are more recent examples of tenement allocation, which usually concerns residents in a difficult financial situation, or those with refugee status. "*Five flats per year are allocated to refugees from all countries altogether. I didn't believe that we would be lucky. But we got the flat after the first application*", says a middle-aged woman from Chechnya (R38, woman, 38, couple with four children, tertiary education). A partly handicapped man working at a computer servicing company says that he got his flat after returning from army service: "*It is rented from the city. Nice folks live here, but they (the city) keep throwing people out. Maybe they want to sell it and renovate it"* (R4, man, 33, single household, secondary education). In this group there is also a subcategory of people who rent apartments at prices that are relatively lower than in other areas of Warsaw.

Another group of interviewees are those who purchased a flat on the primary or secondary market: *"Young people come here, buy devastated houses, renovate them and start a family. I think they choose Praga because you couldn't make it cheaper anywhere"* says a middle-aged woman living in Praga Północ for at least 15 years (R50, 50, couple without children, secondary education). *"This is a story about economy. I wanted to find a flat for myself, all other districts were out of reach, so I bought this one"*, says a 36 year old woman who moved in recently (R19, woman 36, couple without children, tertiary education). Those are usually more recent residents; people either searching for 'comfort' (in this case well-being, good living conditions) at a relatively low price and for 'morality' (meaning tradition and more conservative values than in other areas),

or 'stimulation' (which in Praga may be related to social diversity, folklore, artistic milieu) as secondary factors (De Jong, Fawcett 1981). Praga Północ, next to being inexpensive, can also be a stimulating place and provides the possibility to meet a variety of people not encountered elsewhere. *"There's a life there"* (R36, woman, 60, single household, tertiary education). The group, which seeks additional 'stimulation', consists mainly of well-educated, considerably 'well-off' residents performing well-paid, usually prestigious jobs – the middle class. The following two statements are very illustrative of the above trends:

> *"We bought the house with tenants living in it and over the last years worked on rebuilding and revitalizing it (…). Maybe, I didn't know it initially, before we moved here, but I would say that 'real people' inhabit the district. Here, neighbours say 'good morning' to each other. All this makes you feel the difference when you come from the left bank of the Vistula River. This attracted me to stay."* (R1, man 37, couple with three children, tertiary education);

> *"The last few years you can observe a vogue for Praga. Artists appreciate this place. In the old pre-war buildings there are popular art galleries and architectonic workshops. Fashionable new clubs and cafes are all around. You can see the artistic climate of Praga."* (R42, 40, couple with two children, tertiary education).

Family, personal and other life-course reasons can be divided into the following kinds of answers:
- people declaring that they have been living in the same house since birth or returned home;
- people saying that they moved to the area because they wanted to settle down with a life partner;
- people saying that they had the desire to be near to their relatives, friends, other 'close' ones and;
- people declaring that their desire was to move out of the family house and become independent.

Family and other personal reasons include both rational and emotional decisions, and in many cases they are strongly intertwined. In the case of the 'locals' it is to a larger extent a necessity (illness of family members, etc.), or the desire to unite (reunite) with the family that that informs their decision to move to the neighbourhood:

> *"My parents moved over there, and I came to live in their apartment with my wife (…). It was important to have all my close family around me. I can walk over to my brother, my father, my father-in-law and to the brother of my wife, because he lives next to his parents."* (R18, man, 36, couple with two children, tertiary education).

In the case of the 'newcomers', additional personal reasons are important – the search for 'autonomy', understood as the possibility to be on one's own, independent, to move out of the family house. Other motives, including functionality, preferable location or search for

'affiliation' seem to be of secondary importance, such as the search for privacy or searching for a place to live where specific social community rules prevail.

In the case of residents who moved in more recently, some practical and rational motives are pointed to:

*"Praga Pólnoc is such a nice district, perfectly connected with the city via public transport, near to the centre. So I bought the flat and I live here"*, says a middle-aged man (R21, man, 45, single household, tertiary education). Another man thinks that the area has many facilities he requires: *"I liked the cosmopolitan character of this street (…). The place is marvelously connected with other parts of the city (…). There are many kindergartens here (…). There is a school nearby. We have chosen this place out of such reasons too."* (R12, man, 36, couple with two children, tertiary education).

In some cases, the decision to move has to do with 'affiliation', meaning the search for place where you feel that you belong, where strong ties connect you with other people. In rare situations, 'stimulation', i.e. finding the place interesting and fascinating to live in (De Jong and Fawcett, 1981) is also given as a reason behind the choice of it being their place of residence.

*Moving to the present neighbourhood: improvement or not?*
The interviewees with a shorter experience of living in Praga Północ are usually satisfied with the change of their place of residence. The positive aspects that are raised concern the built and natural environment, public and private space, social attributes, with a particular focus on safety.

*"We lived in a large elegant apartment building in Wola²⁸ and I was afraid to go out in the street because I didn't feel safe (…). And people were so anonymous. Here I started to breathe again, it is so neighbourly here."* (R36, woman, 60, single household, tertiary education).

A similar statement comes from a person who was born in Praga, then moved out and came back:

*"I lived 10 years in Czerniaków²⁹ and my flat was robbed twice. I get mad when people say bad things about Praga Północ (…). I never experienced anything like break-ins here."* (R39, woman, 43, single parent with two children, secondary education).

The 'native' residents complain about the inconvenience of their flats with respect to technical equipment, but appreciate the architectural diversity and social familiarity:

*"I was bewitched by the surrounding, although the flat was poorly equipped, there was no central heating (…), but there were squirrels jumping on my window sill, it was green everywhere, and a variety of housing – from old pre-war buildings to modern ones and one-family houses, narrow*

*streets, dogs barking and flowers, in the middle of the city."* (R10, woman, 63, couple without children, tertiary education).

Residents usually focus on the quality of old, pre-war buildings despite their technical deficits – "*You kind of live a better life within these high ceilings*" says a 60-year old man (R11, man, 60, couple with two children, tertiary education) – and diversity of neighbourhoods in Praga Północ: "*The people here are sensitive, intelligent, you can talk to them, but there are places nearby with crime and drugs*", says a man who moved to the district (R29, man, 61, couple with six children, tertiary education). Those who return to the area of their childhood usually express their emotional bonds with the place: "*It was convenient in the city centre for a student and young person, but now I am back here and this is my place on earth, the only place*" (R26, woman, 58, single household, tertiary education). There are also negative opinions about the new place of residence. A young lesbian woman living with her partner and her partner's brother in an old building:

> "*We preferred to live in old Ochota[30], I come from Mokotów, I grew up there, these are similar places with nice neighbours and surrounding (…). It is difficult to live here. And it is not about the building, as ours is renovated. I could live in worse conditions, but the reality around me is awkward. (…) It was very clean there, elegant and cultured, people are nice to each other (…). We don't experience that here.*" (R2, woman, 27, incomplete tertiary education).

*Conclusions*
The two basic motives of choosing Praga Północ as a place of residence are related to the categories of cheaper housing/beneficial living arrangements and family/other personal reasons. All other motives are treated here as secondary and encompass both functional and emotional stimuli. In most cases, the established residents have either been allocated a council/tenement or company flat before 1990 or have moved to a council, cooperative or private flat directly or indirectly due to family reasons. Among the respondents who came to live in Warsaw to study, the choice of residence in Praga Północ specifically is related to the affordability of housing. The respondents who have moved within Warsaw in general point to 'affiliation' as a specific goal – being close to family, moving to one's own house, moving to the family house or the partner's house, changing flats with a child or other family member.

The native residents of Praga point to their physical rootedness (Gusfield, 1975) as the strongest motive to stay, next to strong family ties and 'morality' – the 'unspoilt' social environment and the simplicity of everyday life. In some cases, however, they emphasize that the change was difficult, mainly due to the social aspects of the surroundings. People usually do not expect any improvement related to a hypothetical change of their place of residence (to another area). In rare cases they expect improvement from the inflow of better educated, younger and more affluent residents. Social diversity as an asset and the heterogeneity of profiles and lifestyles are usually absent in the responses of the 'old' residents, who however, point to architectural and functional diversity – lack of monotony of large modern housing estates.

In the case of more affluent inhabitants who recently moved to the district, the preference to live either in newly constructed housing estates, or in old buildings, is usually related to lifestyle, type of education, family status, interests and the general values they represent. Artists, large families and well-educated singles prefer the 'bohemian' atmosphere provided by old, pre-war housing with large flats, often completely rearranged by the new owners. Young couples, people with 1 to 2 children, people with business-related jobs, and professionals aged 60+ tend to choose new housing constructed by developers, often in small, guarded and fenced housing estates. In the case of the first group, which is a small one, diversity in all its aspects seems to be natural or, in some instances, even a pull factor whereas moving to Praga Północ was considered as a choice out of 'autonomy', 'morality' and 'stimulation' factors (Mulder, 1996). With respect to such cases it is 'comfort' that decided about the choice of the district, related to favourable (central city) location and the availability of a bigger apartment for less money.

## 4.4   PERCEPTIONS OF THE DIVERSITY IN THE NEIGHBOURHOOD

As noted in the previous sections, Praga Północ is an area with a concentration of poverty, social deprivation and dysfunction – alcoholism, crime and unemployment (Węcławowicz, 2001) and carries a stigma of being an 'excluded' district. Until recently, Praga Północ was looked at as a neglected area within the space of the city, where all preconditions and the disinterest of local authorities have led to a progressing deterioration and disorder, to some extent resembling processes described by Wilson and Kelling's theory of 'broken windows' (Sampson and Raudenbush, 2005). The perception of Praga can be associated with the 'reading of space', where it is stigmatized and negatively connoted, has attributes which discredit it in the relation to other spaces (Szczepański, Jałowiecki 2006). Interestingly, the perception changes to some extent when the space becomes 'tamed', once it is appropriated in everyday practices. This phenomenon is quite distinct when analyzing the perception of Praga Północ by its residents – both those with shorter and longer residence duration. In our analysis special attention is paid to perceiving broadly understood diversity aspects in the neighbourhood and the neighbours as users of space with their mutual relations.

*Perceived boundaries of the neighbourhood*
Our research points to a narrow understanding of the term 'neighbourhood' as perceived by the interviewees, i.e. the area of daily spatial mobility where basic and regular needs are satisfied. The majority of the respondents use the notion 'neighbourhood' as closest surrounding, the walking distance often covered. The range of the neighbourhood perceived differs with family status, age, duration of residence, and often also profession. The 'new' residents tend to identify 'zones' within their neighbourhood – from the closest space used most intensely to the most distant one, physically, but also emotionally:

*"One zone is close to this place, my good friend lives here (…), the next zone is the whole block of buildings, and Praski Park and the bank of the Vistula River. And then there is the zone where*

*I shop, where services are, not far from here."* (R15, woman, 31, single household, tertiary education, one year in Praga).

People who have lived in the area for many years are obviously more connected to the place of residence than the majority of newer residents:

*"I'm generally very local and spend a lot of time here. But I understand local as quite a large area, there where I can go by bike"*. When talking about his daily activities: *"Everything is close here, 700 metres to school, 110 metres to the kindergarten."* (R18, man, 36, couple with two children, tertiary education).

It is connected with the way people use their neighbourhood's space and relations with other people and to perform everyday functions. According to this criterion, the following groups are distinguished:

*1. Parents*
Their neighbourhood perception is usually connected with daily activities concerning childcare, kindergartens and schools and the way to school, leisure time with children, surrounding parks and playgrounds. They are a group that creates functional bridging networks with other parents independent of differences in socio-economic or ethnic status:

*"The trip we make to school every day draws the boundaries of my neighbourhood (…)"* (R13, woman, 42, couple with one child, tertiary education); *"My neighbourhood are playgrounds I visit with my kids here nearby, I go to the Praski Park, we use the space from here to the railway track,"* says a man few years' younger (R18, man, 36, couple with two children, tertiary education).

*2. Active retirees*
They usually mention parks and shops nearby, 'their' neighbourhood is generally smaller than that of younger people, and they generally mention names of streets within a distance of not more than one kilometre:

*"My neighbourhood are the streets nearby and over there to the railway tracks and to the river"*, says a woman, who has lived in Praga for 30 years (R36, woman, 60, single household, tertiary education); *"Here, the park, I walk through the park when I go to my daughter's café. That's my neighbourhood"* (R8, woman, 58, single household, tertiary education).

A subcategory of active retirees is *wanderers*, usually residents with a lower educational status. For them the neighbourhood is delimited by the range of their walks. They enjoy their surrounding in a simple and practical way. A widow living in a residential exclave of Praga Północ, Śliwice[31], whose neighbourhood is encompassed within the walking distance, says:

*"You know, I am a walking type, I walk all around the place, like a dog, sniffing here and there (…). I keep walking to the other side of the railway track, a few kilometres, that's my neighbourhood"* (R26, woman, 58, single household, tertiary education). Similarly, an old man, who suffered from a heart attack a few years ago says*: "I need to walk, cause of my heart, but I like it, you can see everything, I walk to the market place, to the Skaryszewski Park, the Praski Park, this is where I walk, my places."* (R25, man, 54, couple without children, secondary education).

### 3. Students
They usually sleep in Praga but move all around the city, use public transport to reach places, do not get attached to any physical boundaries, but associate their neighbourhood with areas they visit:

*"I'm lazy, so I take the bus when I want to go somewhere"*, says a student (R7, woman 22, single household, secondary education). *"Praski Park is my garden, I actually cross the street and I'm there. I'm there every day and I treat this as my neighbourhood. And the Vistula bank as well (…)"* (R15, woman, 31, single household, tertiary education).

### 4. Dog owners
A specific, additional group are *dog owners* – people representing all age groups, male and female, 'locals' and 'newcomers' who usually draw the boundaries of their neighbourhoods and establish personal relations with other people in their immediate surroundings while walking their dogs:

*"Ever since I can remember I have always had a dog, that I had to walk. My neighbourhood is where I go with my dog (…). We pass the market place, Wileńska shopping centre, Kaufland, we make a square shaped detour."* (R10, woman, 63, couple without children, tertiary education); *"I moved here after adopting my dog, so my dog draws the boundaries of my neighbourhood"*, says a young woman (R15, woman, 31, single household, tertiary education); *"I would call my neighbourhood the dog route, thanks to my dog, I learn to know Praga, the closest areas and the areas with nicer architecture a bit further away"*, says another young woman (R2, woman, 27, couple without children, tertiary education).

The emotional perception of the neighbourhood is related to how people sense their neighbourhood, and draws its boundaries through an emotional contact with people, nearest surrounding, or how their neighbourhood is spatially restricted. This perspective allows us to categorise the following three groups of residents: local activists, flâneurs and loiterers.

### 5. Local activists
They are usually people with tertiary education, and are often engaged in some kind if local social initiatives. For them their neighbourhood is a part of the city, but a part that they care about, one without predefined boundaries:

*"The perception varies in time. The more I stay here, the more it translates into a larger scale. I am not sure where to start, and what was my "scale" at the beginning and what it is now. As we moved in, the place I considered to be the immediate surroundings was the area around the staircase inside the building, then it was a group of flats around the stairwell (…). The second step was as we took off the fence between our yard and the two neighboring yards (…)* (R1, man 37, couple with three children, tertiary education).

*6. Flâneurs*

These people reflect upon what they see in their immediate surroundings, are interested in the way their neighbourhood evolves with time, the connection between the past and today, the architecture, the way people behave:

*"I am interested in what's happening here in the surroundings, I look at buildings, enjoy (…). I move all over Praga. My space is much larger than just two streets; it's the whole of Praga, related to my social engagement. I look at things changing."* (R17, man, 65, single household, tertiary education).

*7. Loiterers*

These are usually 'old' residents with vocational to secondary education, unemployed, retired. Their surroundings encompass their courtyard gate:

*"Where my neighbours live, where my door is"* (R30, woman 56, single parent household, secondary education), says an older woman living with her daughter, who spends a lot of time hanging around her building. *"This gate is incredible"*, reveals a young woman living in an old building, *"There is always somebody standing there. The whole building is like one big apartment, and there are Roma people there, whoever knows what they are doing (…)"* (R3, woman 27, lesbian couple without children, tertiary education).

For these people their neighbourhood is their whole world as they rarely leave it. A well-educated woman, who recently moved into the district, says that she feels sorry for those people loitering at their gates, but that they are part of the neighbourhood's specificity.

*Perceptions of neighbours*

Interviewees often mention social diversity, contrasts and differences as important social characteristics of Praga Północ:

*"Different people live here, like the architecture is diversified, so are the people"* (R10, woman, 63, couple without children, tertiary education); *"(…) there are many students, who sleep here but study on the other side of the river, 40 per cent of the flats in my building are rented, there are students here and workers and foreigners."* (R14, male, 35 years old, couple without children, tertiary education).

Many residents claim that important changes are observable; the area has become less dangerous:

> *"Now it is safe, years back one had to look out for scallywags and thugs and thieves. First it was the locals that had clashes, and then when Russians came to trade in things at the Różycki bazaar[32], there was one assault after the other. They were attacked by the locals and who knows by whom else."* (R43, 56, couple without children, primary education).

Another interviewee states that: "*Bad company has moved out, the homeless, the rascals, they ended up in prison, the police took care of that*" (R43, woman, 56, couple without children vocational education). The perception of the neighbours is usually different according to the length of residence in the area and the age of the interviewees.

*Age, education, income*

From what the interviewees claim, there is a predominance of old people, although the 'new' residents, who are more diversified with respect to age, bring a change. "*That's a negative aspect because my kids don't have companions to play with, there are usually people closer in age to my parents*" (R6, woman, 35, couple with two children, tertiary education). But there are also other opinions. A person who recently moved into a new building, states: "*The demography is diverse. There are very young people, families with children and older people*" (R19, woman 36, couple without children, tertiary education), another recent in-migrant also observes this: "*There are more young people here, than where I used to live here before (…) Here you can see families with children. But that is a new phenomenon*" (R9, woman, 38, living with husband and son, tertiary education). There is a lot of diversity with respect to the level of education, vocabulary used, professional status, income: "*Everybody lives here. From drug addicts and drunkards to medicine doctors and lawyers. There's a woman who taught at the university, her father is a local tailor*", says a retired woman (R10, woman, 63, couple without children, tertiary education). Similarly, a divorced mother of four claims:

> *"We have a whole range of people here – from one extremity to the other. There are people from the underclass; and there are well-educated folks with great jobs (…). The place I live in is a mixture of elites and proletariat."* (R31, woman, 83, single household, secondary education), says a woman, who worked as a tour guide, about her building.

"*Usually there are fine people living here, very diversified, from university professors to those living in the street. But there are only 1-2% of them, usually aggressive like small dogs, but not dangerous*" says an 'assimilated' artist from southern Poland (R27, man, 49, couple with six children, tertiary education). Some residents claim that while there are considerable differences as to the quality of life in the neighbourhood, there is also a concentration of relatively poor people in some areas and buildings. The following statements may be illustrative in this respect:

*"There are small differences between people in my building. Only some live a peaceful life and others have to work hard for the same (…). When you go to the other side of the street, there you see a gated estate and much more affluent people"* (R40, woman, 59, couple with two children, secondary education); *"It's poor here, there are no rich folks, which is bad in fact (…). In that private sector you need money. Flats are expensive, the new people coming must have money to buy them."* (R30, woman, 56, single parent household, vocational education).

*The way people look; the way we feel*

There is a characteristic way of perceiving how some people look in Praga. For example, there is an opinion that people look different in the neighbourhood than in other, more affluent parts of Warsaw. The differences refer to the physiognomy, behavior and how people dress. This way of perceiving the neighbours is characteristic for the new people moving into the district:

*"This is an observation related to my trips to the East, to Ukraine,"* says the 31-year old philologist referred to before, *"Look there is an Orthodox church here, I can also often hear Russian here or Ukrainian in the street. Maybe it's the case of low prices (…). The faces are different, more eastern-like, less delicate than most of the subtle, light complexions in the centre of Warsaw (…). The people also dress differently, less fashionable than over there."* (R15, woman, 31, single household, tertiary education).

There is a minor perception of ethnic diversity. The phenomenon is recognized, but only a few people think that it is an important component of the population structure. There is no antagonism observed, rather positive or neutral attitudes. Some statements reflect this finding:

*"In the next building Russians or Ukrainians rent a flat."* (R10, woman, 63, couple without children, tertiary education); *"There are many foreigners. When we shop in Carrefour we talk to people. There are many people from the East – Ukrainians. I like such a melting pot. We like this shop because they hire disabled people and foreigners, we like such an open society."* (R16, 59 years old, female, living with husband, tertiary education).

People often refer to a neighbourly atmosphere in the area, with less anonymity than in other parts of Warsaw:

*"The majority of people have lived here for a long time. When you move in and start to regularly visit a place, a store for example, people begin to recognize you and say good morning."* (R2, woman, 27, couple without children, tertiary education).

The current social change, related to the inflow of new residents, has various dimensions[33]. Some residents, for example, complain about the general moral decay – usually older residents and those with longer residence status claim that things started changing for the worse, they are suspicious about their new neighbours: *"These new people, they have money coming from who knows where. You cannot simply afford a 100 sqm flat when you are twenty something"*, says an

old woman (R31, woman, 83, single household, secondary education). She talks sentimentally about the high social status of the people she lived with after the war. She stresses that everybody was *local*, that is *from here*. Only a few out of this group consider the newcomers as a change for better. Usually, the well educated among the 'old' residents raise the aspect of socio-economic change: *"New private buildings have brought new, well-educated people"* (R17, man, 65, single household, tertiary education). Only rarely do respondents praise gentrification.

Other residents, usually those that recently moved in, express a feeling of cultural alienation – in some cases they feel a bit like strangers in their surroundings. This has nothing to do with hostility from or towards the neighbours, but rather with the sense of being 'different':

> "*I feel ok here, but I'm very tolerant. Now, that I think about it, this is not my familiar environment, where I feel comfortable. (…) This is rather because I have a positive attitude, positive associations since my father lived here, and I am able to forgive this place more. But I do feel uneasy – age difference and everything*" (R15, woman, 31, single household, tertiary education); "*I kind of skirt around the immediate surroundings (…). Nothing is there. I have to look for places where people similar to me created something*", says a woman who has lived for seven years in Praga (R9, woman, 38, living with husband and son, tertiary education).

> A specific kind of alienation concerns former refugees. A single mother from Chechnya says: "*I don't have friends among the neighbours, I feel uncomfortable here*" (R35, woman, 43, single parent household, tertiary education).

*Perceptions of the neighbourhood: positive and negative aspects*
Most residents of Praga Północ perceive their neighbourhoods as being very distinct from other districts. People recognize the social problems and infrastructural deficits of the place, but also the 'natural' and 'simple' character:

> "*I feel sorry for these people loitering in front of their buildings, when I go to work. I think the authorities don't see a way to cope with this problem. But then again, it's the only area where I see children playing outside, in the playgrounds and courtyards.*"(R19, woman 36, couple without children, tertiary education).

Some interviewees also mention positive and neutral aspects of the neighbourhood. People say, for example, that there is a sense of uniqueness in the neighbourhood (especially Szmulki[34]) – a mixture of folklore, history and the present: *"Here are such things that combine today with the dim and distant past",* says a woman living in Praga for many years (R31, woman, 83, single household, secondary education) when talking about cultural, social and architectural diversity. The 'exotic', character of the area is pointed to in some statements, meaning different, deriving from another culture:

*"Some people say that I live in Asia, in Azerbaijan. These are of course jokes, but this is what people sometimes think about this side of the river. I have the impression that, although I may not be perceived in that way, this is how I see myself sometimes"*, says a young woman (R15, woman, 31, single household, tertiary education).

Negative aspects are more frequently pointed to in the interviews. One of the examples given a few times, mostly by 'new residents', is negatively understood local solidarity. A young woman mentions that there are more police and neighbours' interventions in the case of 'new' residents, people from 'outside' of the neighbourhood, than when the 'locals' organize loud parties or behave aggressively in the streets:

*"Nobody called the police, even though the party continued for 24 hours, but when there was another party (…) where young people were, say similar to us having fun, people like us, the police came. They didn't like them."* (R2, woman, 27, couple without children, tertiary education).

Another respondent says:

*"A guy was elected to the district council from our building. He has a criminal past, but he got elected as he is from here. The community has decided that he will have influence on things, a*



**Fig 15** The 'old residents' and their 'familiar' world (Picture by F. Piotrowski).

*native Praga boy with muscles and a rich vocabulary."* (R9, woman, 38, living with husband and son, tertiary education).

There are also opinions that the area is dangerous. A Chechen woman talks about how friends from her daughter's school, which is outside of the district, reacted: *"It is not that they treat us as foreigners but that we are from Praga. My daughter invited a friend to her birthday party, but the parents wouldn't let the girl come to the district"* (R35, woman, 43, single parent household, tertiary education). Another negative aspect mentioned is the people's behaviour and the general passiveness of the local authorities. The woman referred to above says:

> *"It's messy here, old people around, maybe not old but hoodlums. When somebody throws a diaper in the street, nobody takes care of that and it gets worse. The district's administration doesn't do anything about it."* (R9, woman, 38, living with husband and son, tertiary education).

The same woman talks about domestic violence, spouse abuse and regular fights in the streets. Other people mention unemployment, homelessness and alcoholism. Break-ins and other small crimes seem to becoming rarer, people talk about them, but seldom: "*One situation was before we moved in, then there was another situation when there was a break-in and many things were stolen,"* (R6, woman, 35, couple with two children, tertiary education).

Respondents often state that authorities neglect Praga Północ relative to other districts of the city: "*Nobody cares whether the place develops, if there's a plan, a programme (…). A pity for the beautiful, dying architecture.*" (R22, woman, 55, single household, tertiary education). Generally, women are more critical in this respect than men. Once the new public centre for drug addicts was opened in one of Praga's most socially difficult environments, people started being aware of another danger in their neighbourhood: "*It is difficult to have human feelings for such people. Older people go out and find needles and they have enough. I stopped allowing my kids to go out into the courtyard*" (R27, man, 49, couple with six children, tertiary education). The interviewee claims that the city should not have located such an institution in a place that once had high crime risk and is undergoing a difficult transformation. "*We have drug addicts everywhere, they come from other areas",* says a woman working as a landlady in one of the buildings.

The residents also mention their disappointment with the low level of schools in Praga – the worst statistics in Warsaw, and one of the lowest in the Mazowieckie voivodship. It turns out that people who can afford it, take their kids to schools located on the other side of the river, "*which means that the kids with lowest potential stay here*" (R12, man, 36, couple with children, tertiary education). This attitude can be defined as a negative opinion about segregation within the educational system.

The most common positive opinions concern relations between people in the neighbourhood. People assimilate and communicate with each other: "*People, although not so well educated, are cultured and always say 'good morning"*, says a woman who moved in recently (R13, woman,

42, couple with one child, tertiary education). A characteristic feature is the lack of anonymity, mentioned before and more direct interaction:

> "*I like the contacts between people, when I walk down the street I can talk to people about anything, just like that, not only to neighbours*", says a woman living for 10 years in her neighbourhood, "*I can talk to strangers in the park.*" (R6, woman, 35, couple with two children, tertiary education).

A frequent reflection concerns the authenticity of the neighborhood and the district in general. People like it that Praga is a real place, with real people and real, three generational families who not ousted after the war. Some people do not seem to want more ethnic diversity and in-migrants from other regions of Poland. They say: "*It's good that there are still not so many in-migrants as in Ursynów[35] for example*" (R22, woman, 55, single household, tertiary education). Interviewees expressing such opinions are aware of the existence of socio-economic inequalities and differences in family status and lifestyles, which they do not usually see as problems: "*This is positive that there are different milieus, different situations, different lifestyles*" (R39, woman 43, single parent with two children, secondary education).

*Conclusions*

Most interviewees recognize a growing social diversity, which is sometimes seen as a potential, bringing positive change, and in other cases a danger introducing a destruction of a '*poor but stable*' (Schaffner and Goldberg, 2009) community. At the same time, diversity is a challenge to further development and policy: "*It is difficult to create something with such diversity. How can you talk people into following common goals?*" (R20, woman, 44, single parent household, secondary education). The 'old' residents often talk about the division into 'us' and 'them' when referring to the level of cultural capital, education, and family background. They are often critical about 'newcomers' creating gated communities; they question the relation between socio-economic status and education, arguing that these do not always go hand in hand. The newcomers are aware of entering a conservative community, one that is, however, usually open to those who comply with the local rules, one that offers a home and a piece of the 'real world', which is normally difficult to find.

## 4.5 ACTIVITIES IN AND OUTSIDE THE NEIGHBOURHOOD

As argued by van Kempen and Wissink (2014, p. 95) neighbourhoods can be perceived as basic categories through which both individuals and organizations *"give meaning to their reality and through which they structure action"*. This can also be related to the role of the neighbourhood as a place defined as a physical locality, social setting and socio-cultural context (Robinson, 2010) in the daily life of residents. Shops, squares, bus stops, streets, community centres, parks and restaurants become scenes of social interaction and practices. Van Kempen and Wissink stress (2014, p. 103) that in research on neighbourhood as a place it is important to focus on how

different groups use different places and what forms of practices they are concerned with – in and outside the neighbourhood. This challenge applies to research on socially homogenous, as much as to mixed, neighbourhoods. In this chapter the daily activities – routines of residents of Praga Północ – are analysed in relation to three questions:

Where and with whom the residents conduct their activities? How do they make use of public space? What is the role of local associations in the activities and in the social networks of residents? It is argued here that there are considerable differences with respect to the scene of social interaction (places) and practices of inhabitants representing the groups of 'old' and 'new' residents. Whereas the sense of belonging, in the case of the 'old' residents, is rather linked to the length of residence, the constant making use of local places, i.e. private and public (shop on the corner, park), relations with immediate neighbours and family, the 'new' residents function more as members of a 'metropolitan' society (Tönnies' Gesellschaft), as non-place urbanites within a specific local community (Gemeinschaft). The time spent in the neighbourhood encompasses only a part of their daily practice, as it is devoted basically to leisure, making use of commercial services and building networks within the category of 'new' residents. At the same time, there are differences in the way time is spent, and where it is spent between groups representing different age and family status, level of education and economic status. "*There is such a difference, that the new resident takes the lift down to the underground garage and jumps into his car, while the old resident has to walk out of the door*" (R16, woman, 59, couple without children, tertiary education).

Last but not least, there are differences in how representatives of the qualitative groups listed in section 4.4 spend time in and outside the neighbourhood. When describing the activities all categories are considered, which allows for a presentation of a wide spectrum of social diversity with special focus on the distinction between the 'old' and the 'new' residents.

*Activities: where and with whom?*
The 'new' residents usually state that they maintain face-to-face contacts with friends and acquaintances in the neighbourhood, but in most cases those are friends from outside the area – from work, school, or university days – while social relations with neighbours and people living in the vicinity are rather to be treated as limited occurrences related to daily obligations. This varies, for example, with respect to the residents' family and age status. It is also related to the residents' interests, obligations and ways of perceiving their neighbourhood and life in general. *Parents* meet people while picking up children from kindergarten, *elderly people* most often talk about casual encounters in parks, all interviewees talk with people while shopping in small local stores. As one of the respondents describes, the people she usually meets in the neighbourhood are "*neighbours, or parents of children in our kindergarten*". But she also states: "S*ometimes it happens that I talk to unknown people in parks*" (R9, woman, 38, living with husband and son, tertiary education). While about friends she says: "*They are first of all from work, from university, also from high school.*" Childless, relatively young people and students who are recent residents usually maintain less local contacts: "*There is one person I can call a friend in*

*my block, a neighbour that takes care of my cat when I am not there. The rest of my friends are people from school, university. I studied abroad, so also from there*" (R19, woman 36, couple without children, tertiary education).

The way people claim they spend time is often related to their educational status. The contacts maintained locally by people with a higher level of education are usually less intense than those of less educated persons: "*People who are close to me from the past, from work and my family visit me here,*" says a retired public official "*Today my contacts with neighbours are rather casual*" (R10, woman, 63, couple without children, tertiary education). A distinct exception here are 'new' residents with an artistic background, who are engaged in all types of activities, also in the vicinity: "*I have friends everywhere, not only those dealing with arts and stuff; neighbours, owners of shops, local small businesses (…), friends own cafés, I'm all around*", says an artist and local activist (R27, man, 49, couple with six children, tertiary education); "*My best friend lives just around the corner. I have a close friend in a nearby photo gallery, and then there are all the artists who have their studios here. Almost twenty people, close acquaintances*" (R22, woman, 55, single household, tertiary education).

Respondents often refer to places of daily encounter with others, to routines and activities performed in the neighbourhood. The places they mention include local shops (everybody), parks (*dog owners, parents, active retirees*), streets (*active retirees*), certain community centres (*active retirees*) and courtyards (*parents,* 'old' residents in general). People either talk about daily routines, or their leisure time. Less affluent inhabitants, usually those with a longer residence status, meet in their buildings or in places where they shop. They mention small local grocery stores, smaller supermarkets (especially one is mentioned frequently) and a local shopping centre.

Although, in particular the 'old' residents as well as *active retirees who stay* in the neighbourhood, generally most residents interviewed rarely shop beyond the limits of the district: "*I rarely go shopping to other places than nearby, only when some specific clothes are needed*"*,* says a 35-year old man, who has lived with his fiancé for five and a half years in the area (R28, man, 35, couple without children, tertiary education). Practically all residents spend time in parks and go to the cinema, especially the local cinema Praha, which is treated as a place of social encounter. *Young people and students*, as well as more affluent residents, talk about a larger variety of activities undertaken in comparison with their older and less affluent neighbours. The former focus on privately organized leisure time within and outside the neighbourhood, some of them invite friends to barbeques in private courtyards, visit restaurants and clubs, bike and walk. The latter prefer to take part in open public events. A professional from Łódź referred to above recalls his leisure time:

> "*I usually spend my time with friends at home, but we also bike to various places (…). I like to spend my time in Praga, because everything is close here. But I also spend a lot of time in other places.*" (R28, man, 35, couple without children, tertiary education).

A student from eastern Poland explains that he enjoys spending time in the neighbourhood: *"I love Ząbkowska Street, I go there to eat in a Georgian restaurant. I love the place (…). There are many places there that I like"* (R7, man 22, single household). A general finding is that older people, and especially those with a longer residence status, make less use of commercial services than most young people and students, as well as the majority of the 'new' residents in general. Instead, they visit parks, walk and visit their neighbours and acquaintances. This is reflected in their opinions as well as in descriptions made by the 'new' residents. An architect asked where his neighbours spend leisure time says the following:

> *"Well, a lot of people spend their time at outdoor events, organized by the city or my local organization in parks and in streets. People like such things here. There are also many local people in restaurants and clubs, but those are different people – of different status. I don't think that all of my neighbours would go to such places. They would rather go to community centres and to church."* (R25, man, 54, couple without children, secondary education).

Apart from organized events, time is spent with the family and neighbours. A few respondents mention barbeque parties in their courtyards. An elderly man with higher education tells his story with a smile: "*There were many barbeques in our courtyard in the summer season. Hmm, barbeque in the city, that was fun*" (R11, man, 60, couple with two children, tertiary education).

*Diversity in practices*

The above description of places reflects to a great extent the activities undertaken by the residents in their neighbourhood. The main activities and practices, as most often present in the responses of the interviewees, include shopping, taking children to school, celebrating in the streets, celebrating at home and at private barbeque parties, going to restaurants, to the church, using public transport, working, walking and biking. In the narratives, the 'old' residents focus on describing the immediate surroundings and the activities undertaken in it. This concerns relations with neighbours, discussions, daily routines related to children and pets. Well-educated interviewees with well-paid jobs usually focus their stories on leisure time, on the means of travelling to their workplace, the relation between the time spent in and outside of the neighbourhood. Activities that are more often mentioned by the interviewees are related to the way neighbours take care of their surroundings – the courtyard or street – and activities undertaken for the disadvantaged, needy residents. The statements below are clearly about living with 'difference' in the space of the neighbourhood:

> *"The other building has been fenced off because it's a private possession. The facades and surfaces were restored, the whole area surrounded by a fence, trees planted. Then we started building a fence around our building. You can see now that everything became orderly, as formerly there were broken bottles and beer cans all over the place."* (R11, man, 60, couple with two children, tertiary education).

A 36 year old well-educated man on parental leave tells our interviewer about his reflections upon people's needs, especially other *parents'* needs and those of *older people*. He thinks that not much is required to offer less mobile people some opportunities to enjoy the time spent in their neighbourhood:

> *"When I moved in, I recognized that these people want the same kind of city that I want to live in. When thinking about projects for the participatory budget, I had an idea that in the place where you parked your car, a small green area could be arranged, a little park for people, not for cars."* (R12, man, 36, couple with children, tertiary education).

A 43 year old landlady with two children is very engaged in all kinds of activities in the neighbourhood. She also claims that the role of the church community where she is active in helping children from disadvantaged families is significant:

> *"Our church community organizes a Christmas party for children from poor families. The teachers in local schools know which children need help and pass this information over to the church. About 50 gifts are funded every year."* (R39, woman, 43, single parent with two children, secondary education).

*The use of public space*

It can be generally claimed that *active retirees*, *flâneurs*, the less educated, as well as people with a longer residence status make more use of open, accessible, mostly non-commercial public space in the neighbourhood, spend more time in the vicinity and their use of commercial services is relatively rare: "*Local people spend time everywhere, but not in restaurants and clubs*" (R1, man 37, couple with three children, tertiary education). Usually *young people and students*, more affluent and better educated people make use of both types of public space: "*I go to cafés, clubs, I use bike rental services, buses, bike lanes, tramways, I will probably use the metro*" (R22, woman, 55, single household, tertiary education). When considering the classification in section 4.4.1, the groups of *parents, elderly people, students, dog owners, local activists, flâneurs, loiterers* spend a lot of time using public, accessible non-commercial space, all out of different reasons, while across *young people* and *students*, as well as more affluent, usually childless residents tend to use commercial spaces much more frequently.

Local schools are not treated as spaces of encounter for different social groups, as most of the residents who can afford it send their children to schools in other districts. Courtyards are definitely segregated spaces, serving either residents of closed and comfortable housing estates, or inhabitants of council buildings, the latter being usually in a poor condition. *"Those were gated estates, where the residents were functioning within their closed community"*, says an older man, "*The residents maintained no relations with the others*" (R17, man, 65, single household, tertiary education). The man continues to say that the residents of these buildings also use public spaces, usually parks. This is where people from different social backgrounds meet. Also, local kindergartens and playgrounds are places where bridging networks are established between

diverse groups. Small local services, like grocery stores, tailor's, shoe or watchmaker's shops, or the Różycki market place – the 'iconic' bazaar and a kind of symbol for old Praga – are also referred to as non-segregated places.

*Courtyards as places of daily encounter*
Residents talk about disorderly and unsafe courtyards, as well as fenced, green courtyards where barbeques are held. An old resident says that since their building has been fenced it has become clean and no 'intruders' come in: "*Sometimes we gather at barbeque parties once or twice a week. There are usually 10-20 people present*" (R11, man, 60, couple with two children, tertiary education). Most residents feel safe in their courtyards. A man who worked for the 'Neighbourhood Libraries' initiative (Korcelli-Olejniczak et al., 2014) says: "*One of the activities in the library is that we go out and read books in the courtyard*" (R4, man, 33, single household, secondary education). This is a true opportunity for people from different backgrounds to meet in the neighbourhood.

Those who care for their courtyards say: "*We renovate a lot, we plant bushes, it looks very nice, it's changing for the better*" (R13, woman, 42, couple with one child, tertiary education); they also try to teach others to do so: "*If we do cleaning ourselves, we give a good example and this works. Our courtyard is clean, so the neighbours who had a mess feel ashamed and clean up. Things change, nobody throws garbage out of the window*" (R1, man 37, couple with three children, tertiary education). Another young, 'new' resident says that the neighbourhood is the only place where she sees children playing in the courtyard. There are, however, contrasting opinions about safety and the use of courtyards. This especially concerns an area where the centre for drug addicts mentioned earlier has recently opened: "*I don't allow my children to play in the courtyard. There were times, when the situation was different, now it is not safe*" (R39, woman, 43, single parent with two children, secondary education). Courtyards are also mentioned as places where the *loiterers* spend their time; they are referred to by more recent in-migrants as very much village-like.

*Schools and educational segregation*
Generally, there are negative opinions about sending children to schools in the neighbourhood. These concern both the level of education and general social reputation. The latter pertains mainly to some selected areas, but the bad opinion about schools is common in spite of differences in the length of residence, socio-economic status, and age of residents:

> "*I have decided to send my children to a school which is further away from here. That other school is better, with a sports hall and swimming pool. I wanted to isolate my kids from bad influence*" (R39, woman 43, single parent with two children, secondary education); "*It's difficult to send children to school here. We take them to districts on the other side of the river. Here the budget is cut for everything. Children suffer because of this*" (R27, man, 49, couple with six children, tertiary education); "*I have succeeded not to send my daughter to school in this district.*" (R35, woman, 43, single parent household, tertiary education).

Among the respondents interviewed, there was one with a positive opinion about schools in the neighbourhood: "*There are normal, unspoiled kids there, not like in other districts*" (R1, man, 37, couple with three children, tertiary education).

*Parks as places where diversity meets*

Both 'old' and 'new' residents, parents and childless people, older people, as well as young people and students spend time in local parks:

> "*They go to parks*", says the French architect about the 'old' residents." (R5, woman, 35, couple with two children, tertiary education); "*We spend weekends in the park, or we sun bathe and stroll along the river, but we usually go to Skaryszewski Park and the Zoo*", says a mother of a son (R9, woman, 38, living with husband and son, tertiary education); "*It's an obligation to go to Praski Park for the 'Days of Praga event*'" (R10, woman, 63, couple without children, tertiary education), says an old lady; "*If we have time we go to the Skaryszewski Park with bikes or inline skates*" (R12, man, 36, couple with children, tertiary education), says a young father of two children; "*We go to the park with my daughter*", says an ex-refugee from Chechnya (R35, woman, 43, single parent household, tertiary education).

*Streets as defined and undefined spaces*

There are many ways in which streets are portrayed in the stories of the interviewees. A street is either an undefined space, or the synonym of 'courtyard'. People sometimes talk about not wanting their children to play in the street, meaning spending time in an unorganized way, or feeling uncomfortable about letting their kids wander around freely. Another way streets can be seen as public space is through street festivals. Many respondents mentioned them. "*People like the street festival in Ząbkowska*" (R1, man 37, couple with three children, tertiary education); "*There are various things happening here like the festival in Brzeska Street or Ząbkowska Street*" (R2, woman, 27, couple without children, tertiary education). A street is a place where *loiterers* stand, through which *wanderers* and *flâneurs* stroll, where *local activists* often interact with the residents. The street is also mentioned in the context of everyday chatting by *active retirees* and sometimes the *parents*. The street is a very important place in the neighbourhood, encompassing neighbours in all their diversity.

*The role of local associations*

Few respondents interviewed are active in local associations despite the fact that the district of Praga Północ is an arena of diverse social activity, which is pointed to in a number of the people's statements. This activity is related to local development in general, and to all forms of counterbalancing the negative aspects of the area, especially social exclusion. Two of the interviewees are members of associations, and one interviewee was a candidate in the local elections and represented a local organization *The City is Ours – of the Praga residents* (Miasto jest Nasze – mieszkańców Pragi). Another respondent mentioned his engagement in the initiative '*Targowa for People*' (Targowa dla Ludzi), a bottom-up renewal project concerning Targowa Street, which is the district's main commercial area and transportation axis. The role of

these associations, especially of Michałów, is recalled upon in many statements. There are also examples of participation in other organizations and such including school councils, church communities, bikers' clubs. One respondent had his own foundation, the aim of which was to support disadvantaged children through artistic activities, a gentrifying process in a very deprived area of Praga Północ.

In general, the respondents share the opinion that local associations are doing a lot for the community, in many cases more than the local authorities. As one of the 'new' residents claims: "*The Association Michałów has many ideas on how to change the area. Their main target is the transportation system and how it influences urban development*" (R12, man, 36, couple with children, tertiary education). The main difference between the 'old' and the 'new' residents related to their engagement in local development with the 'old' ones usually focusing on their immediate surroundings. The 'old' inhabitants typically cooperate directly with their neighbours, not feeling the need or having the interest of involvement in local associations. As far as the 'new' residents are concerned, they feel more responsible for their wider surroundings. Their engagement in local organizations and informal initiatives creates linking networks between various groups of residents, these being an activity complementary to local integration policy.

*Conclusions*
In general terms, the 'new' and 'old' residents differ with respect to the scene of social interaction, spatial patterns of activities and the feeling of belonging to the place they live. The significant differences in educational level and economic status are reflected in the differences between the two groups with respect to attitudes, values and patterns of behaviour. For all qualitative categories distinguished, the closest network of friends and family is not restricted to the neighbourhood. The social relations of 'new' residents within the boundaries of the neighbourhood are usually limited to occurrences related to daily obligations, whereas the 'old' residents maintain social contacts far outreaching these. *Parents* use public space in the neighbourhood so far as it concerns their children. *Active retirees* and persons with a longer residence status have, in most cases, more or less regular, although not very emotional, relationships with people from the vicinity whom they encounter in places such as parks, courtyards and local shops.

It can be claimed that all groups have developed a specific feeling of 'belonging' to their place of living, although they understand it differently. The local identity reflected by more intense contacts and more frequent activities in their neighbourhood is less dependent on the length of residence than on the individual profiles of the respondents – their education, interests, job, family and age status. There is definitely a relation between the general lifestyle and the way time is spent locally; moreover, it is often attached to the categorisation of 'new' and 'old' residents. People manifesting different types of activities in the neighbouring environment differ with respect to the use of open public space and commercial services. Although they use partly the same infrastructure, particularly regarding shopping for food, green areas and cultural

institutions, it can be claimed that there is not much social interaction between the 'old' and the 'new' residents; they do not live together but rather next to each other. Such a situation, according to Putnam (2007, p. 151) leads to a reduction of social capital resources, mutual trust and cooperation in the short term. The low level of mutual trust is manifested by the physical fencing of residential buildings from public space, which is usually perceived negatively by less affluent neighbours. At the same time, some people of higher economic status see positive aspects of being cut off from the public space and the diversity outside. This allows them to sustain the feeling of security while living among people similar to them.

## 4.6   SOCIAL COHESION

Building on the findings from section 4.5, an argument by Curley (2010) is recalled, according to whom it is not the socio-economic mix but rather social and material resources of the neighbourhood that are strong predicators of social capital. The development of neighbourhood facilities such as libraries, community centres, health, childcare and social support services, schools and parks as spaces of encounter, integration and equalization of social opportunities – all these may enhance social cohesion. At the same time, place attachment and the feeling of safety may also change the perception of the neighbourhood – and counteract the stigma of a 'bad area' and of the 'broken window' syndrome.

Most reflections expressed on the theme that are expressed by the interviewees blame city authorities for the low level of social cohesion, which is perceived as a result of a lack of sufficient policies. For example, the Local Revitalization Programme (2004) was believed to focus mainly on housing policies supporting the gentrification process, irrespective of social needs and inequalities, low quality of social resources and of the endogenous potential. As a consequence of this, the city now introduces the Integrated Revitalization Programme for the years 2015-2022 with a focus on areas with the most intense social problems and is expected to enhance the area's social cohesion.

*Composition of interviewees' personal networks*
The composition of individual social networks in the area investigated is extremely diversified. The types of relations that the interviewees establish, their intensity, the tendency towards homo- or heterophily within social networks, their spatial closeness or openness depend predominantly on basic demographic factors such as age, family status and education, but also on origin of the respondents, as well as his or her cultural and religious background. To a certain extent, they are also related to very individual psychosocial features, interests, lifestyle, sexual orientation and other characteristics of the people we spoke to.

The analysis of relations and ties established locally by individuals unveils two basic patterns. Firstly, some relations are more of an emotional character, they derive from a basic need for social contacts, encounter, sharing of space; others are more of a functional nature, related to

common local goals, daily practices, obligations. Secondly, the functional or emotional relation to space is connected with the individual's rootedness in the area, the length of residence in Warsaw and in the neighbourhood. The aspect of the length of residence, together with the basic demographic factors and cultural and religious background seemed to decide whether individual social networks allow people to become a part of a community, or rather alienate them from the immediate surroundings. Following Wellman and Wortley (1990), it should be noted that different types of ties provide different kinds of supportive resources. Some ties are not supportive, while others may either provide emotional aid or functional support.

The development of social networks can also be analysed from the perspective of its dynamics. The local, older residents were accustomed to closer, emotional relations with neighbours, despite their diversity. Living in a common space meant being part of a community for them – spending time together, organizing neighbours' parties or inviting neighbours to family celebrations. The newly established relations with people in the neighbourhood are more functional and more casual, as is the case of parents or dog owners, who share obligations or interests. Generally, young people and students maintain relations mainly with people of their age, not necessarily living in the neighbourhood; these are either friends from university, or individuals having common interests.

Generally, older people and/or less affluent residents with a lower level of education are more locally focused, and their social networks are less diverse. But there are exceptions to this rule based on individual characteristics. For instance, people performing semi-artistic jobs seem to have wider and more diverse social networks than most other people: *"My best friend lives nearby, and another friend works in a photo gallery here and the rest of the artists. We maintain close contacts"*, says a graphic (R22, woman, 55, single household, tertiary education). Similarly, a man who owns a workshop in Praga says: *"I have artists around me, they were here yesterday for example, we see each other every two weeks or so. The artistic milieu here is very open"* (R29, man, 61, couple with six children, tertiary education). The man claims that he also maintains close contacts with many other people in the neighbourhood. He continues: *"First of all I like this generation – people who have not forgotten what it means to be elegant and cultured"* (op. cit.).

This also concerns some other well-educated professionals. They usually say, like an actress who moved to Praga seven years ago, that they "*maintain relations with people who do similar things*" (R9, woman, 38, living with husband and son, tertiary education). The woman argues that she tried to establish contacts with neighbours and people in the vicinity, but complains that she could not find a common language with neighbours, who have a different lifestyle.

It can be assumed that the diversity of the area, the differences between various social groups, the gentrification process stimulated by housing policies, the inflow of inhabitants and the new 'vogue for Praga', constitute a challenge to social cohesion in the district. Quite obviously, the length of residence in the area also influences the diversity of social networks of individual residents. The analysis shows that there are no universal rules behind the type of networks

established by individuals. The diversity of the neighbourhood may hinder social cohesion and the formation of a community and place-awareness, but in the light of individual stories these are rather specific features, needs and constraints that decide about the density and composition of social networks.

*Living together with neighbours: bonds, forms of mutual support, trust*
Three main factors that determine relations between the residents in the neighbourhood are age, family status and length of residence in the area. These are generalized dependencies and not universal rules. There are also examples of people, who despite their short residence status, have still developed a local social network. They trust their neighbours and are trusted by them: "*We have neighbours whom we trust, they live on the floor below us. I think we trust them a lot*", says a man who recently moved to Praga (R12, man, 36, couple with children, tertiary education).

It seems that there are two basic patterns concerning the interaction between the residents. The first is based on bonding networks, usually strong ties established between those people who have lived in Praga at least since the systemic transformation started in 1989. These bonds concern family, neighbours and close friends. Although most of the 'old' residents among the interviewed represent a similar socio-economic status, it can be assumed that this type of interaction is related rather to the physical rootedness and familiarity that plays an important role in the evolution of sociality and cooperation, and not specifically to the similarity of the residents. The other type of relations established between more recent in-migrants who, as far as the neighbourhood is concerned, tend to maintain contacts with people of similar socio-economic status, but develop bridging networks outside the area of residence. It is also evident that the bridging networks established connect people who may differ in terms of nationality, ethnicity or age, but share interests, attitudes and values.

Interactions between persons of different socio-economic status are observed when there are functional dependencies or common interests and goals that bring residents together. This is frequent in the case of *parents* or *dog owners*, who may fall into different socio-economic and demographic categories, but focus on similar everyday activities performed in the neighbourhood. There is also strong interaction between *local activists* of various backgrounds who share goals as well as an emotional attitude toward their area of activity.

*Strong versus weak ties*
A significant process observed related to social interaction in Praga Północ is the changing character of personal bonds. Several interviewees praise the times when neighbours were more interconnected, and developed stronger ties within their social networks. A woman who lived in Praga from birth tells her story:

"*Now the ties are loose. When I was a little girl, we were much closer with neighbours. In those days there were no TV sets or radio, so the only thing to do was to hang around the courtyard and that was fun. Now I don't even know most of my neighbours (…). In the past people were*

*interested in what the others do. Now it is different (…). Most people from those days either died or moved out and new people came.”* (R43, woman, 56, couple without children, vocational education).

In some cases, especially in older tenement buildings with many older people, the relations have maintained their cordial nature despite the flow of time. An elderly man ponders the friendly atmosphere in his building.

*“When I moved in here many years ago, people came, knocked on the door, and said ‘how are you’. We had a cup of coffee, tea, chatted. And here you are, we can call each other real neighbours now.”* (R37, man, 80, single household, primary education).

There is also a specific kind of local solidarity developed between people:

*“People have lived here for generations, they take after their grandfathers and great grandfathers, therefore the atmosphere here is so specific, because everybody knows each other. Nobody calls the police, when things happen; we solve our problems by ourselves.”* (R17, man, 65, single household, tertiary education).

The majority of the ‘old’ residents share a different feeling of belonging in the neighbourhood. Even if they don’t maintain very close relationships with people in the vicinity, they somehow feel connected to the place. A middle-aged woman, who lives by herself in a single-family house built by her father in the 1960s states: “*We drink coffee with my neighbours, chat on a regular basis*” (R26, woman, 58, single household, tertiary education). The respondent argues, however, that there are hardly any relations developed between ‘new’ and ‘old’ residents in the area:

“*The old residents know each other and the new inhabitants as well, but we don’t integrate. There is no barrier or wall between us, no antagonism. But then, there is no interest.*” (op. cit.).

An important component of social capital is trust. The level of trust in the area researched seems to be quite high. Usually people trust their neighbours, in some cases they trust them more than other people they know. Trust usually grows with the length of residence in the neighbourhood. People tend to trust more if their neighbours are similar to them:

*“Undoubtedly, I wouldn’t trust just anybody only because he is my neighbour. I think that trust is based on how you picture people. You probably trust those who are similar to you.”* (R21, man, 45, single household, tertiary education).

Long relationships, however, can be based on trust despite differences between people. Factors that strengthen trust between diverse residents are, for example, childhood spent together or children at the same age. A woman, who has spent all of her life in Praga, says:

*"Our children were more or less in the same age. My son liked their son. I trust my neighbours. I could leave my keys with them. I don't believe that I could trust other people more than neighbours and family."* (R43, woman, 56, couple without children, vocational education).

Also functional relations and common goals make people trust each other. Parents tend to trust other *parents, dog owners* trust other *dog owners* in the neighbourhood.

*Functional ties, emotional ties and social solidarity*
There is an opinion about some newcomers in Praga, in particular those who are in a better financial situation, that "*They only trust their flat, family and car. They treat this place as a bedroom, where they sleep, they are not interested in any relations with other people,*" (R14, man, 35, couple without children, tertiary education). In buildings with many rented flats hardly any social relations are established. An elderly woman complains: "*These flats are sold, residents change, new tenants come, they don't integrate and they are not helpful at all*" (R31, woman, 83, single household, secondary education). On the other hand, most interviewees have personally experienced expressions of social solidarity – support offered by a neighbour. Also, people usually declare that they provide support if necessary.

Signs of ignorance, resistance, bad will or rejection is rare. The most common opinion about old Praga's tradition and social solidarity among its residents is that: "*if something were happening, it would be enough to open the window and scream. This is how the area functions. If there is a need, there is a need*" (R10, woman, 63, couple without children, tertiary education). Another resident considers Praga to be exceptional with respect to social solidarity: *"An old woman fell in the street, in winter, in an instant there were five people around her to help. This would not happen everywhere"* (R30, woman, 56, living with daughter, vocational education).

This kind of solidarity is also observed between people who maintain mutual functional relations. Interviewees' talk about support offered among *parents* or *elderly people*. Also *dog owners* help each other in walking their dogs. Another kind of engagement and solidarity with the neighbours is observed in the case of *local activists*. There are people among this category who are engaged in institutionalized forms of activity. Their relations with other residents are not direct or strong, but they develop linking networks via local organizations. Others are not members of formal organizations, but owing to their emotional engagement in the deeds of the neighbourhood and its residents they develop stronger ties with people.

*Conclusions*
The most important barrier to social cohesion in the area researched is the low level of integration between dissimilar groups of residents who represent different socio-economic status, different lifestyles and values. The problem is deeply rooted as the divergence is related to ways of understanding the idea of social solidarity, its rules and ways of expressing it. Most of the 'old' residents, not necessarily due to their economic status but rather physical rootedness in the area, share a specific way of approaching their friends and neighbours. Their relations are

based on strong ties with people who have lived in the district for a long time. On the contrary, the more recent in-migrants establish weaker ties in general, and mostly with people of similar socio-economic status, even if different with respect to nationality or age.

Apart from the different patterns that stand behind the social relations established, there is, however, some evidence of functional relations among people with common goals and activities, as well as of emotional relations between residents who share a special attitude toward their area of residence – the need of local identity, improvement, change. Some of these people develop a certain feeling of 'belonging' in the neighbourhood, even though their interaction with other people is actually weak.

It seems that some functional and emotional relations can still be developed between dissimilar residents. However, seeds for ties may provide fruit in the longer term. This requires the development of such initiatives and facilities that can integrate residents on the basis of a common goal. Another factor which builds integration, and therefore contributes to social cohesion, is the awakening of the feeling of local identity and belonging to a certain subsection. The evidence of the activity of individuals and groups of people engaged in counteracting social exclusion in the district, as well as those focusing on the area's development and attractiveness, is a premise for integration to be achieved despite a diverse social structure. This is illustrated in the projects carried out by NGOs active in the area, as described in chapter three.

## 4.7    SOCIAL MOBILITY

Social mobility is a process that determines how society and social status changes over time. It is a good indicator of direction, speed and depth of change. It can show how fast a society adjusts to changing external conditions. The main categories of mobility, based on its direction (Sorokin, 1927), are vertical mobility, i.e. change of position up or down the hierarchy (e.g. class or state), and horizontal mobility meaning change of position with respect to another at the same level of hierarchy. The main types of mobility based on its duration are *intra-generational mobility*; mobility that takes place in the lifetime of a person, and *inter-generational mobility* that is focused on relations between positions of members of different generations. The analysis conducted unveils all of those types, but a strong focus on intra-generational mobility is observed. Social mobility is considered a factor that draws sharp division lines between the respondents.

The inflow of new residents to Praga Północ, especially those characterised by a high level of education, though not necessarily well-paid jobs, has a considerable influence on how the district is treated as a ground for the implementation of policies and initiatives. This is related to, in the first place, the rise of general social awareness, the level of public participation and care for the quality of local space including spaces extending beyond one's backyard. These processes are extremely important due to the fact that, in the perception of the residents,

according to the research conducted, public authorities, i.e. the city, are to blame for the poor state of the area, its deprived social structure and degraded space.

*Current and previous jobs*

As expected, the positions of the respondents depend strongly on the level of education they have attained. Respondents with university education are present in all the groups distinguished, also in those identified according to the length of residence in the district. The professional positions and job trajectories of people with a university diploma often did not differ considerably from one to another. On the other hand, people who attained vocational or general secondary education levels, mostly with longer residence status in the neighbourhood, are usually blue collar workers or they occupy simple office jobs: *"I'm a landlady and I work physically. I was offered this job after my divorce. I had to reconcile the role of a mother and work"* (R39, woman 43, single parent with two children, secondary education). In case of people with tertiary education, usually an upward mobility is observed.

> *"After I finished college I started working at Pizza Hut, then after five years as a waiter I became a marketing manager and this is how my adventure with promotion and commercials started. Now I work at a company that organizes conferences and events for firms."*

In the case of the 'old' residents with vocational education a horizontal mobility is more frequently visible. *"I am a landlady. (…) Before that I worked in a store, then I was a babysitter"* (R39, woman, 43, single parent with two children, secondary education). What is important is that almost all residents' professional life reaches beyond the district of Praga Północ. Both "old" and "new" residents, except for artists, only sporadically work within the study area:

> *"I work as a guard and I am awarded DLA (…). I work in Wola, they move me here and there. The same company but every year there is a competition. If they win we stay, if not we move somewhere else."* (R43, woman, 56, couple without children, vocational education).

The strongest divide with respect to social mobility, especially professional mobility, concerns two specific categories of residents. The first are immigrants from Chechnya. Their life trajectories are an example of an extreme vertical downward mobility. One of the respondents with an academic degree describes her professional career with the following statement: *"I baked cakes for sale, then I packed them and I worked as a clerk. I applied for jobs that anyone could perform,"* (R38, woman, 38, couple with four children). The experience of emigration is hard itself, but it also has further consequences.

> *"If I would not be forced to leave my country it would be different. These years that I lost, it would not be like that. My life would be stable. A 33 year old starts to build a fundament, gain a foothold. But then I didn't have a foothold, I didn't even know where I stand. At the age of 33, I was forced to change everything. I regret that I was not younger when leaving my country."* (R35, woman, 43, single parent household, tertiary education).

The second group that strongly differs from all others is artists. In spite of being highly educated and working in their profession, they are relatively poorly paid and have no reasonable professional promotion. One of the systems of financing artists in the area investigated is a municipal system of micro-grants, but according to the interviewee the system is ineffective:

> *"We prepared a project with 180 events during the year. For our streets and the whole of Praga. We planned events in many different places – exhibitions, drama, concerts (…). Unfortunately, it turned out that apart from a media hype nothing happened. The city organized its own New Year's Eve celebration with a budget of 6 million PLN.*[36]*"* (R27, man, 49, couple with six children, tertiary education).

The same respondent describes his professional trajectory in the following way: "*I am a carpenter, plumber, constructor, I organize exhibitions, film events, I am a photographer, I write screenplays. I would prefer to be a sculptor, but the conditions are difficult*" (op. cit.). Although the interviewee declared to have a wide field of artistic activity, when asked about income he replied: "*You're joking. I earn almost nothing from all that*" (op. cit.). The necessity of undertaking so many professional activities by artists is related to various background conditions. Firstly, the level of public financing appropriated for cultural activities is extremely low in the district analysed. Secondly, the demand for culture in the area is not very significant. Funds in most domestic budgets are earmarked so as to satisfy basic needs. Culture is considered to be expensive and remains a luxury for many families. Therefore, in order to achieve a satisfying level of income, artists have to work in other branches:

> *"I am an artist, a freelancer. I do all kinds of things (…). I worked for Gazeta Wyborcza*[37] *as a graphic designer. My daughter was little at that time, so money was very important."* (R22, woman, 55, single household, tertiary education).

On the other hand, as already discussed in an earlier report, artists are the only professional group that strongly binds their activity with the area of our research. This is related to the fact that many representatives of this profession work either at home or near their place of residence. Their presence and cultural activity in the area is a local development factor, as they produce and promote cultural goods focused on social change, improvement of life chances and social mobility, especially for young residents of Praga Północ (Korcelli-Olejniczak et. al. 2014) *"We also wanted to allow the kids to look at their place of residence from the outside, we took them to exhibitions in other districts, we wanted them to observe and contemplate"* (R27, man, 49, couple with six children, tertiary education).

*Relying on neighbours and others when looking for a job*
The support of neighbours for job finding is determined by the category of residents. It is rare among highly educated and well paid, usually "new" residents, and if it appears, it is mostly because of stronger bonds than the neighbourhood offers. *"We would have to be very close to help each other in such situations. This is not a case for mutual support in the neighbourhood. It's a case*

*for friends*" (R33, woman, 43, couple with child, tertiary education). The residents within the group do not generally need this form of support from their neighbours. It seems that if they look for, or acquire help in job hunt, it happens in networks closer than the neighbourhood.

Help with searching for a job is much more common between interviewees with vocational and secondary education, long-term residents, *older people*, and immigrants from poorer countries. It also happens mostly in communities that occupy pre-war buildings: "*Information circulates here. One tells the other that there is a job offer or work here*" (R4, man, 33, single household, secondary education). To a great extent, this is related to the type of job that the groups of residents mentioned look for: either jobs with a high level of functional complexity or low-pay temporary jobs. The latter are a topic of discussion between neighbours. The information network is not limited to neighbours that have lived together for a long time. Immigrants from the former Soviet Union and Asia that are placed in social housing become members of this network too:

"*They offered me a job. When my neighbour heard, that I am looking for a job, she gave me a few hints. The job didn't work out, but she wanted to help*" (R28, man, 35, couple without children, tertiary education);

The help from neighbours with searching for work can be seen as a factor of quality and depth of social networks in the neighbourhood. It is also a factor that has a large impact on the mobility of members of this network. On the one hand, it may keep them from real destitution and allow them to earn their livelihood, while on the other; it also allows them to change work places to similar ones (horizontal mobility). The local social networks examined are rarely helpful in supporting such vertical mobility as advancement and promotion at work.

*Neighbourhood reputation as an asset in upward social mobility*
The so-called neighbourhood effect, or the role of the area's reputation, is quite important in the case of Praga Północ. However, its dimensions vary in the case of different resident groups. Well-educated and well-paid recent in-migrants are often confronted with a declared aversion to the area expressed by their friends and acquaintances. A young woman explains: "*They think that we are living here in slums. My sister says, that she is not going to the slums, cause she's scared*" (R9, woman, 38, living with husband and son, tertiary education). Another woman says: "*Some friends told me that they always take a taxi if they want to come to my place, because they are afraid to take the bus as it seems to be dangerous in this area*" (R19, woman, 36). The negative attitude of outsiders towards the area is also reflected by difficulties in accessing certain services provided by firms at the client's home. A middle-aged woman who moved to the neighbourhood a few years ago says for example:

"*Just recently I wanted to prolong some kind of an insurance policy. An agent visited me at home and told me that he doesn't understand how such a highly educated person like me lives in such a neighbourhood (…). And some guys from a redecorating company hesitated to provide me*

*with their services, because they thought I was insolvent or that I would cheat on them.*" (R19, woman 36, couple without children, tertiary education).

A worse situation is related to the neighbourhood effect and usually concerns less affluent people with vocational or general secondary education. For them, the bad reputation of the area tends to be a barrier to social mobility:

*"The lady who hired me told me after some time that they had great doubts about hiring me, a person from such as deprived neighbourhood. And then she told me, that I don't look like a person from that area."* (R39, woman, 43, single parent with two children, secondary education).

As shown above, the reputation of Praga Północ, and especially of some of its subareas, can affect the perception of individuals as employees, hence constituting a barrier to social mobility. This, however, usually concerns poorly educated people. While in the case of more recent and well-educated inhabitants, the role of neighbourhood effect is limited and has no direct impact on upward mobility; indirectly it can matter due to the composition of individual social networks.

*Conclusions*

In terms of social mobility, Praga's inhabitants are differentiated along three basic axes: education, economic status and length of residence. While new in-migrants, well-paid and highly educated residents are more mobile in terms of vertical mobility being both intra- and inter-generational, it is usually the 'old' residents, as well as persons with only vocational education generally, that tend to be more frequently trapped in their social positions. They may be horizontally mobile, but still have limited chances for upward social mobility. The latter situation is reinforced by the neighbourhood effect, which is more evident in the case of less affluent, older residents and those with lower levels of education.

It is clearly evident in the analysis conducted that social networks play a crucial role in social mobility. People with more extended and diverse skills, yet weak ties within their network, related to the level of education and experience are more competitive in the labour market (Montgomery 1992). The neighbourhood reputation plays a minor role in their job performance, whereas their social networks are usually extended far beyond the place of residence. In the case of 'old' residents, those with a lower educational as well as general socio-economic status, the strong ties within their social network (between long-time neighbours, friends and family) are in many cases decisive in maintaining their basic existence, and in a way, supportive of horizontal mobility.

In this context, it can be concluded that social diversity is not a factor raising social mobility in the neighbourhood, as there is limited integration between networks established by inhabitants of different socio-economic or cultural background. It can be anticipated, however, that public policies and bottom-up activities would counteract these phenomena, especially by supporting the diversification of social networks of more excluded resident groups.

**4.8**   PERCEPTIONS OF PUBLIC POLICIES AND INITIATIVES

On the basis of the interviews conducted we found that inhabitants of Praga Północ possess a rather limited and selective knowledge of initiatives and projects carried out in their area of residence. This is more true for the 'old' residents of Praga Północ, i.e. those who have lived there for at least 20 years. A significant number of respondents have not heard about any project that was implemented: "*Frankly speaking, I find no interest in such matters*" (R7, man, 22, single household, secondary education). The interviewees referred primarily to those projects and initiatives which were implemented by the city, and that were targeted to social cohesion and social mobility. Those included the 'participatory budget' initiative, the Integrated Revitalization Programme, the cultural initiative 'Days of Praga', the 'Targowa for People' initiative, and another aimed at a reorganization of public space along Praga's main street, the Targowa. Apart from those listed above, some small projects related to infrastructure such as free gyms in parks were mentioned as well.

*Perception and evaluation of existing policies and initiatives: what do residents know?*
The 'old' residents, as well as most older people in general, pointed to a number of bottom-up activities related to the protection of local social interests: tenants' rights and protests against planned commercial investments in the area. The modest knowledge about projects and initiatives was often accompanied by a high level of dissatisfaction with the quality of public space and social policy. A common response was a direct criticism of the indolence of city authorities with respect to the revitalization of housing stock and of spatial development:

> "*I feel that all initiatives of the local government come too late, or are ideas that were known to us five years before. (…) In this segment, no one is interested; the city is not going to prepare development plans until the investor decides what will be built here. In fact, developers draw master plans. This is how the city thinks about planning.*" (R9, woman, 38, living with husband and son, tertiary education*).*

The knowledge concerning social initiatives and public projects is related to the level of education, sometimes even the type of education. It was usually the case that recent in-migrants to Praga Północ had more information and were therefore showing more interest in local development as such. This predominately resulted from their socio-economic and family status, as well as their age. Among the qualitative groups identified in chapter 3 with respect to the perception of the boundaries of their neighbourhood, *parents also* unveiled some general knowledge on local initiatives, at least those concerning support offered to families and children. They also declared to have heard about non-governmental initiatives targeted at social mobility and the support of educational activities.

When comparing the opinions of the inhabitants based on the length of residence in Praga, we can find some commonalities and shared views despite the fact that long-term residents and more recent in-migrants are relatively different in both demographic and economic terms. This

is especially true with respect to negative opinions on the 'Local Revitalization Programme', and is regardless of the respondents' social and demographic status or the length of residence in the area. They generally agree that the development potential of the area remains untapped and the activities of the city are artificial and too slow: "*It is called the revitalization programme, but it should be rather called micro-revitalization because it's not a really complex revitalization, and these small actions do not make any sense*" (R21, man, 45, single household, tertiary education).

Another finding was that the inhabitants who arrived in the district in recent years are more engaged in local activities. This, as pointed out before, is related to their knowledge and to possibilities open to them to act. The recent population inflow has brought a social diversification that has not only had a positive effect on demographic, economic and educational structure, but can also create conditions for the introduction of bottom-up initiatives and a proactive local society. We find a slight dependence for the reason of moving to the neighbourhood being out of one's own choice, the appreciation of the area's *genius loci*, and the support given to local revitalization trends. In this context, it can be claimed that social diversification in the area, which has definitely intensified after 1989, results not only in a complexity of lifestyles and attitudes, but also promotes the expansion of positive patterns of behaviour.

*Policy priorities proposed by interviewees: what do residents want?*
The formulation of expectations regarding policy priorities was a rather difficult task for the majority of respondents. We found highly diverse kinds of somewhat narrow issues concerning everyday life listed by respondents, such as street cleanliness, benches in parks, improved public transport, sport and recreation infrastructure, parking lots, but also spatial order and security. When analyzing the information obtained, some problem areas can be distinguished that were pointed to more frequently than others. These focused on the improvement of:

• the quality of life through the renovation of pre-war flats and buildings;
• the quality of transportation infrastructure and public transport;
• the quality of school education.

These issues were usually important for all types of residents, regardless of the length of residence, level of education or economic status. Regardless of specific types of actions that should be undertaken, we have identified a consensus on how the enormous potential of the area is not being taken advantage of. The revitalization of tenements proceeds much too slowly; ultimately a significant part of the buildings cannot be saved. Many inhabitants live in deteriorated municipal buildings in conditions that may be regarded as undignified, which is not conducive to social cohesion.

A number of interviewees expect financial aid from the city, the state and the EU, or housing policies that are suitable for residents and entrepreneurs: "*I think that looking here at the number of empty premises, maybe you should change the housing policy, I do not know if it is a question*

*of price, or location, why are there no people interested in these places"* (R21, man, 45, single household, tertiary education). They expect the city to promote local business activities that would give the residents an opportunity to be active and earn money. They understand it as shared responsibility, one that would result in making the area more attractive for everybody: *"Send a strong stream of money to Praga, and not to rich districts, for example"* (R9, woman, 38, living with husband and son, tertiary education).

*Conclusions*

The knowledge of public policies and local initiatives is rather selective and depends predominately on the length of residence in the district, the level of education, age and family status of the respondents. Highly educated residents tend to have more detailed knowledge and are more involved in social, participatory projects and initiatives. While the majority of persons interviewed were usually more informed about initiatives and activities targeted to social mobility (mainly education) and social cohesion, they generally had limited knowledge concerning projects that aimed at economic performance. To some extent, this is a consequence of a low number of such initiatives and the fact that they are usually not locally focused (Korcelli-Olejniczak et al., 2014).

There is a broad consensus concerning the insufficient number and limited financing of projects aiming at the revitalization of the area's technical infrastructure. This consensus is also related to social issues, such as those concerning the educational system. Many interviewees consider Praga Północ to be underdeveloped, predominately because the city ignores its needs and undervalues its development potential. Both of these aspects are related to either social diversity or social inequalities, which are evident in the area, but are not subject to satisfactory public attention. The majority of initiatives are focused on tackling the negative aspects related to poverty and economic inequality. With particular attention being paid to the enhancement of educational performance and the equalizing of educational opportunities for children at risk of social marginalization, social heterogeneity appears rather as a context in which the initiatives are developed, whereas the use of social diversity as an asset is not discussed.

## 4.9   CONCLUSIONS

As argued at the beginning of this chapter, what lies behind the relation between the social potential of the area under investigation and its development state are social networks established by individuals and groups of residents – their quality, density, size and diversity. R. Putnam (1993) states that the denser a network of social engagement, the stronger the probability that the residents will be able to cooperate for the sake of common goals. The analysis conducted provides convincing evidence that it is the lack of social integration between the area's mostly diverging groups that is Praga Północ' biggest deficit. The existence of strong ties and social bonds among the category of 'locals', by and large middle-aged to older persons with a fairly low level of cultural capital, is their inward orientation and distrust

towards 'newcomers' that constitutes a barrier to the cohesive development of the district. These tendencies hamper the establishment of bridging networks and restrict the social focus to common place-based goals.

To a certain extent long-established locals and newcomers (within each of the two categories) have a specific lifestyle, and respect certain rules and social norms based on certain values, beliefs, customs and habits. What integrates the residents within the two groups, i.e. socio-economic status and cultural capital, disintegrates the district and its neighbourhoods. Both groups treat the others as strangers, and the process of becoming neighbours (Sandercock, 2000) in the social dimension is much more troublesome than the physical cohabitation. This concerns the development of mutual trust, the common use of public space and public facilities, and cooperation or social solidarity in everyday life.

Another deficit identified in the area is the social exclusion of the poorest residents[38]. In this case, however, the inflow of new inhabitants, who are usually middle-class and young to middle-age people, should undoubtedly be considered as an opportunity for the area in question. This is linked to three basic issues. The first is of symbolic character and is related to the means of combating the stigma of a 'bad area'. The more the area becomes dissociated from this image, the better may its development chances be evaluated.

The second issue is connected to the potential of the social mix itself. The sharing of space by people representing different socio-economic, cultural, age and family status may be a stimulus to development by counteracting stagnation and providing diversified models and patterns of behaviour. It should be stressed here that a decreasing concentration of poverty and social pathology is already a visible mark of change in today's Praga Północ.

The third issue is related to the activities of the newcomers and their sense of responsibility to their new place of residence. It is mainly the 'new' residents who, as individuals or members of local associations, are active in implementing functional and material change in the area through specific initiatives targeted at various resident groups. The activity of those persons builds linking networks and creates development opportunities for disadvantaged people, typically the 'locals'. Due to the lack of integration between the 'old' and the 'new' residents, this kind of activity is not always recognized and appreciated by those who fear change and associate it with an end of their self-perceived, though low-standard, stability. In the analysis conducted, we have identified four ways of living with, and experiencing, diversity in Praga Północ. The cases described below do not constitute separate categories, but are to be interpreted as generalizations of the attitudes observed. They show that the 'new' residents are not a socially homogeneous group, which makes the picture still more complex.

The first way of perceiving diversity is related to fear of the unknown, of difference. This is experienced by the 'locals', who have over time developed bonds that are of a cultural rather than physical nature, i.e. related to the prevailing local traditions and a common understanding

based on unwritten rules of social solidarity. The group referred to has a negative attitude to diversity overall, as the latter may alter their 'secure' and familiar world. Another way of perceiving diversity concerns fairly well-educated, usually young residents (but again, age is not a strict rule here), who have arrived recently from other regions of Poland, or other parts of Warsaw. Irrespective of the motivation behind their moving to the area, they are interested in the surroundings and wish to improve its quality. They treat the specificity of Praga as a development potential and a stimulus for their activities. The group is not uniform with respect to economic or family-status. It also includes individuals whose activity is based upon emotional and functional factors, for example *social activists* and *parents*.

The third group is people who feel alienated within their place of residence. In our sample this refers mainly to women, usually single or single mothers, and two lesbians. The origin of the women is diversified – from an immigrant (former refugee) from Chechnya to people who have moved to the area from other parts of Warsaw and feel a certain discomfort related to their 'new' surroundings. The perception of Praga's specificity is related to the lack of rootedness, belonging or understanding of local principles and rules. It seems that within this group the lack of strong ties in the neighbourhood plays a key role. While it may not influence social mobility per se, it tends to hinder the fulfilment of some emotional needs.

The last group can be categorized as well-educated, well-paid, usually young residents who do not seem to express any interest in their neighbourhood, and perform their lives outside its borders, treating the area as a dormitory. While their social networks rarely include any neighbours, these 'ex-territorials' lead a life within the walls of their flats and the shields of their cars, a phenomenon resembling socio-spatial disaffiliation (Watts, 2009). They work elsewhere and they drive their children to schools situated in other districts. For this group, the character of this neighbourhood is seen as a stigma, something to be associated with poverty, deprivation and a low quality of life. We did not encounter many representatives of this group during our interviews, but a number of residents referred to people they know to be such cases.

Our findings from subsections 4.6 and 4.7 show that gentrification-driven diversity has a limited, if at all positive, influence on social cohesion and social mobility in general. Still, the inflow of new residents bringing social mix, engagement and new ideas may be expected to evoke positive change concerning both material and social capital in the area. The accompanying infrastructural improvements, and the place-based revitalization programme can be treated as a framework encouraging future actions to be initiated by various actors, both individuals and groups.

# **5** ENTREPRENEURS DEALING WITH DIVERSITY

A high level of economic growth and the increasing well being of citizens (Fainstein, 2005; Bodaar and Rath 2005), which are the main objectives of urban policies, are closely related to the development of entrepreneurship and the ability to create new firms. In the global era, cities compete for enterprises with high economic performance and talented entrepreneurs. Additionally, they also create necessary conditions for start-up firms. As emphasized in the literature, cities that are open to diversity are able to attract a wider range of entrepreneurs than those that are relatively resistant (Fainstein, 2005; Florida, 2002; Taşan-Kok and Vranken, 2008; Eraydin et al., 2010). Empirical research on how economic competitiveness is related to urban diversity is, however, quite limited and provides some evidence though usually only at a macro level. One of the aims of this chapter is to narrow the gap by presenting empirical material collected at the neighbourhood level.

We focus on the economic performance of entrepreneurs in a deprived and socially diverse, yet dynamic area of Warsaw, and on conditions that support and sustain their competitiveness and long-term development. We aim to demonstrate the role of relationships between urban diversity and the position of entrepreneurs. The material is expected to contribute to knowledge on how some neighbourhoods may provide conditions for individuals or groups to strengthen their creative forces and enhance their economic performance.

Firstly, the chapter examines the entrepreneurs who started their businesses in Praga and the factors that define their economic performance. It might be expected that factors such as place of origin, age, family background, gender, education and previous experience are important variables in determining their entrepreneurial success. These factors mediate the influence of diversity at the neighbourhood and city level. Secondly, the chapter explores the main motivations of entrepreneurs and assesses whether neighbourhood diversity matters when starting their business in the current location. Thirdly, it evaluates the market conditions that are significant factors for business performance of entrepreneurs. Fourthly, the chapter looks at the role of policies and measures at different levels and the institutionalization of such policies. The evidence concerning these issues can be reached via concrete research questions such as those presented below. These questions constitute the focus of the individual sections of the chapter:

1. What are the main characteristics of the entrepreneurs and their businesses? What are the evolutionary paths and the fields of activity? What are the physical conditions and the ownership pattern of their offices/production sites/shops?

2. What were the main motivations for establishing a business? What is the importance of neighbourhood diversity for starting a business at a specific location? Why was the line of business selected and who provided support for starting the business?
3. What are the success and failure factors important for the economic performance of enterprises? What is the current level of performance and how has it changed? To what extent does the diversity of the neighbourhood play a role in economic performance? What are the long-term plans of the owners? Do they have any plans to alter their size, market and business strategies in order to be more competitive?
4. Which policies, measures and organizations contribute to the performance of their firms? What is the role of participation in various initiatives in the performance of various enterprises? What do their owners expect from policy makers at different levels?

The analysis is based on an interviews conducted with 40 entrepreneurs in Praga Północ in the period from September to December 2015, with a focus on 'old Praga'. As mentioned in the preceding chapters, Praga Północ is an area where poverty and dysfunction, local climate and traditions meet metropolitan development dynamics and vitality, the latter explicitly embodied in the new Praga Koneser Centre with its Google start-up campus. Due to these changes, Praga is increasingly becoming a more interesting destination for tourists.

The research conducted (compare: Korcelli-Olejniczak et al., 2016) indicates that the group of entrepreneurs active in the case study area constitutes an important component of its social landscape. The research carried out unveils an interesting picture of a fragmented entrepreneurial sector, with considerably low barriers to entry and a relatively localized clientele. According to data from the National Official Business Register (REGON), there are 11,080 enterprises registered in Praga Północ. Ninety-six per cent of them (10,587) are micro firms, those with less than ten employees, and have a yearly net turnover generated from trade, services and financial transactions not exceeding the equivalent of 2 million euro in PLN. The rest constitute larger enterprises. The structure of firms according to size shows that the fragmentation within the private sector in Praga is even more distinct than that registered in residential districts in general (Musterd et al., 2006). The sectoral structure is depicted by a pattern in which over a half of the businesses belong to the catering services sector and to other services. More than 25 per cent of all firms are active in the wholesale and retail trade. As seen on the graphs below, these groups are strongly divided into smaller subcategories (Fig. 16).

The official data, however, fails to provide a complete picture of entrepreneurial structure in the case study area. This is due to the fact that the statistics do not include the issue of relational functioning of the firms, the social importance of their performance and the position of entrepreneurs. In the categorization of enterprises presented below, we have made an attempt to overcome some of these limitations. Referring to the types proposed allows for a better understanding of the dynamics of enterprises in Praga Północ.

**N=11080**

Retail trade*
Wholesale trade*
Land transport and transport pipelines
Specialised contruction activities
Real estate activities
Activities of membership organisations
Education
Rest

*except of motor vehicles and motorcycles



**N=5524**

Construction of buildings
Legal and accounting activities
Human health activities
Food and beverage services
Activities auxilliary to financial services and insurance activities
Other personal service activities
Computer programming, consultancy and related activities
Advertising and market research
Other professional, scientific and technical activities
Rest

**Fig. 16** The structure of enterprises in Praga Północ according to the SIC index (Source: own elaboration of REGON data).

There is an overlapping among the categories introduced due to the fact that the firms were sorted on the basis of two criteria: size of enterprise and sector (with respect to every type of the enterprise, only one of the criteria plays a crucial role). The first type identified are micro-enterprises that hire up to nine employees. They constitute the core of Praga's entrepreneurship representing more than 98 per cent of all local firms. The second type refers to all other size categories: small, medium and large enterprises. The third category identified is related to the three leading economic branches in the district: services, trade and production. A separate subcategory is represented by the catering services branch, which includes restaurants, bars, pubs and cafes. They play a significant role in the economic performance of the district, and there are certain rules observed that are characteristic for this category only. The fourth type are enterprises dealing with crafts in general. This category, in particular traditional crafts, is identified in the Integrated Revitalization Programme[39] specific to the area, a constituent of Praga's *genius loci*, which should be sustained and supported[40]. The branch is known, however, to be in extremely poor condition. In some sections of the present report, the above categorization is complemented by additional, context-dependent elements. They are important, as the area researched is undergoing a transformation of its physical and social structure determined by various factors including local revitalization policies, infrastructural investments and the ongoing gentrification process.

Entrepreneurs who establish their firms in Praga are usually aware of both the positive and the negative circumstances. The high level of fragmentation within the business sector offers low barriers to entry, but in return, a predominately localized and unstable clientele. It is difficult to define Praga's customer, though targeting for external customers is often a risky strategy. This is reflected by the opinions of entrepreneurs about themselves, which are often critical and full of doubts concerning the future of their businesses, an image often contrasting with the one of a confident 'self-made' man.

## 5.1　THE ENTREPRENEURS AND THEIR BUSINESSES

It should be noted here that the typical image of an entrepreneur in Poland is very complex. This is due to the heritage of state socialism, where the official opinion held about entrepreneurs and private business was basically negative, since working on one's own account ran somewhat counter to the principles of the ideology of 'equity and equality'. Under state socialism, and in spite of the distinct economic profits made, private business activity did not bring social appreciation. The political and economic transformation that started in 1989 brought a revival of the category of entrepreneurs that was formed in the course of the merging of three social structure streams: the former socialist private initiative, representatives of a new group of entrepreneurs who effectuated a 'previous accumulation', and managers, directors and other staff from that time in state-owned or cooperative enterprises who were in the position to take possession of the resources, including professional contacts, and use them to develop private businesses (Gardawski 2013).

The current positive image of an entrepreneur results primarily from the role that the private business sector played in the process of systemic transformation after 1989, the success story of the Polish economy, based on 'founding privatization' – the creation of new private firms by "*dynamic and innovative social groups with highly entrepreneurial attitudes and a positive perception of modernization*" (Węcławowicz, 1996). Gardawski (op. cit.) identifies two basic types of entrepreneurs who have evolved: *the businessman* and the *craftsman.* While the first type is related foremost to the capability of generating profit, the second type is understood as a carrier of a national, regional or local specificity of the economy.

*Characteristics of the entrepreneurs*
The basic differentiation criteria of entrepreneurs are: ethnicity, age, gender, socio-economic status, and level of education. In our sample, the interviewees are less diversified according to education and ethnicity, with the majority of persons being Poles and tertiary education holders. The gender balance was sustained, with a slight overrepresentation of male entrepreneurs.

The activities of the majority of the local firms analysed require neither high-level skills nor higher education. However, most respondents declared to have university degrees, often unrelated to their current occupation. A young man says: "*My subject at the University was not*

related to this at all. I studied construction engineering and work as a manager in this restaurant" (R8, male, 28 years old, catering services). Another man explains: "*I come from Bangladesh, I studied marketing and management at a private university, and now I work here as co-owner of a Kebab bar*" (R9, male, 35 years old, catering services.)

More than a half of the respondents are over 50 years of age. It can be assumed that this reflects the overall age structure of entrepreneurs in Praga Północ. This may, however, also be a result of the lower trust towards researchers in the case of younger entrepreneurs who refused to participate in the study. It should also be noted that the majority of respondents, before starting their own businesses, worked previously in similar industries. It is possible that the lack of young entrepreneurs is due to the reluctance to set up a business before gaining professional experience. Asked about what he was professionally doing before setting up his business, a middle-aged man says: "*I worked as a driver, then in a firm as a handyman, doing all kinds of things. I was a plumber and a locksmith. Therefore, I am doing this now, because I always liked such jobs*" (R19, male, 52 years old, services/trade).

The gender structure of the respondents is very even, but women are the owners of only about one-third of the businesses. This is partly due to the fact that some of the female respondents are business managers (not owners) or co-lead companies together with men. Only four respondents are foreigners, despite the fact that we were trying to purposely find such people. The sample includes one firm belonging to persons from Russia, Serbia, Bangladesh and Nepal. The fact that such a low number of foreigners work in Praga Północ may be a result of their feeling of insecurity. This is mentioned by those few who have decided to open their business there: "*It isn't safe. I live in Ochota[41]; it's better there. My window glass was broken here. Someone has thrown a stone at the window some eight months ago. Nothing got stolen, only because we have a camera*" (R9, male, 35 years old, catering services.). The feeling of insecurity may be due to the bad press that Praga has, which results to a great extent from the district's past. During state socialism the area was considered to be a nest of depravation and deterioration, a district intentionally excluded by the city authorities. In the first years of transformation, old Praga has become an arena of crime due to the location of the Bazaar 'Europa' on the present grounds of the National Stadium (Korcelli-Olejniczak et al., 2015).

Most of the entrepreneurs interviewed do not currently live in the research area: *"I live in Bródno, some kilometres away from here"* (R40, female, 62 years old, services.). A few respondents declared, however, that they lived in Praga Północ at a certain stage in their life.

*Characteristics of the business, its evolutionary path and core fields of activity*
Among the firms surveyed, those that were established after the political changes of 1989 predominate. Five businesses had also been functioning before this time, under state socialism. Most of the firms in our sample have operated for over five years. This is important information in light of the Ministry of Treasury data, which indicates that only 30 per cent of firms in Poland carry on their activity for five years or longer (Ministry of Treasury 2013). Services, trade and

catering are the three branches that dominate in the study area, as well as in our sample. The less represented branches are production and crafts, which is consistent with the REGON data. Among the firms interviewed, the micro-enterprises (up to nine employees) predominate, accounting for 35 out of the total of 40 respondents. Despite the small number of other business types, this is still an over-representation in the sample compared to the actual distribution of businesses in Praga Północ, where micro-enterprises account for more than 98 per cent.

Representatives of firms operating in the trade sector point to competition from big stores, in particular, the Wileńska Shopping Center: "*I must admit that health food is now also the domain of large chain stores such as Carrefour or Lidl. It will be difficult to be competitive*" (R14, male, 58, trade.). Service firms experience this type of competition to a much lesser extent. It is not competition that endangers the sustainability of these businesses, but rather, a general shift in the behavior of consumers who prefer to purchase a new product rather than to have the old one repaired. An entrepreneur was asked whether mechanical watches are becoming fashionable again, and provides the following answer: "*Yes, I make a living from that, but it is not a very forward-looking business. The market is full of cheap Chinese stuff. Such watches are not worth a shit and you don't repair them*" (R34, male, 63, crafts.). The lack of competition among traditional service firms may also be related to the disappearance of old-style workshops from the market. This happens for two reasons. First of all, as we mentioned earlier, such businesses are not able to maintain their position on the market in the face of shrinking demand:

"*A watchmaker today is a pauper. With small exceptions like the Zalewski family who service expensive watches in elegant shopping malls in the city centre. Such businesses have the chance to prosper, not like small entrepreneurs, on their last legs (…). This is no business.*" (R34, male, 63, crafts).

A second, equally important reason is a decreasing number of young people willing to perform professions of this type. Hence, some skills and competencies disappear from the market along with the aging group of artisans:

"*In the old days I had apprentices, but that's 'gone with the wind' […]. Nobody is willing to take up that job. Yes, it might be physically exhausting, you have to be on your legs all the time, but then, the hairdryers do not weigh that much. And still, there are not many girls who decide to learn this profession.*" (R26, female, 62, services).

In the case of the micro- and medium-sized enterprises examined, employment has decreased or remained constant. This is primarily due to a low turnover and high charges, therefore, the owners often prefer to perform the work themselves than to spend money on additional salaries. Almost half of the firms are based on self-employment. Asked whether they employ anybody, the entrepreneurs claim that they used to, but there is too little work now and they don't need anybody. The respondents also mention employees' dishonesty, or an improper approach to obligations as the reason for a reduction in personnel:

*"I used to employ a barber who started the day off with a bottle of wine. In the afternoon he was usually very talkative. But then during a tax audit he refused to give information about his income, although he was officially employed and had nothing to hide. But he panicked because of the alcohol, so I had to pay a fine… You must understand that today I don't want to have such problems."* (R40, female, 62, services)

Such problems are emphasized by Polish employers with respect to migrants from the Middle East. This is usually related to an incompatibility resulting from significant cultural differences. Representatives of these cultures usually have difficulties with accepting a woman as their boss and carrying out orders from her. A woman who used to employ young men from Iraq, recruited via job ads, tells her story:

*"Well, I had to show them who the boss was, as none of these Arab people like it when someone tells them what to do and especially when the person telling them what to do is a Polish (local) woman. Everybody knows that the value of women in their country is low. Those men would prefer to do nothing and manage everything themselves. (…) I stuck my fingernails into his head, and I was completely sick because I am a very emotional person. For them, on the contrary, it was like water off a duck's back. And then I turned him onto the street, I laid him off."* (R31, female, 47, catering services)

It should be noted that not only women point to problems concerning cooperation when working with employees from Middle Eastern countries. A man who hires foreign employees refers to cultural differences and similarities:

*"What I still want to add is that Ukrainians are very good employees. These are people representing the same culture and they understand what you are talking about. But they also have problems here, like other non-western foreigners, with renting flats. Poles don't want to rent flats to Ukrainians, so I can imagine what will happen with Syrians. This really interests me."* (R15, male and female, 41 and 38, catering services)

The increase of employment in all small firms (i.e. 10-50 employees) contrasts with the reduction of employment in all of the micro and middle-sized (50+) enterprises surveyed. Considering the changes in time, we can observe a slow adjustment of supply to demand among the firms surveyed. As often highlighted in this book, an important driver of change is the process of gentrification in Praga, which brings about a gradual change in customer structure.

*The location and sites of the enterprise*
The urban tissue in the area under investigation is generally in poor physical condition with a predominance of tenement buildings and a large share of deteriorated pre-war housing stock. A considerable part of this area is subject to architectural conservation due to its historical value.

This limits the entrepreneurs' freedom to change the space occupied, in particular the décor, windows and facade advertising.

> "We cannot change much, only from the inside, as this building is a historical treasure. Nothing can be changed from the outside, I cannot change the shop window, install an outdoor air-conditioning system. And, this place is terrible, it doesn't even have ventilation." (R34, male, 63, crafts).

Most of the firms surveyed are established and are in rented premises owned by the municipality constituting part of the Warsaw Housing Stock. The share of this stock in Praga accounts for almost 40 per cent of the total, against 19 per cent in Warsaw as a whole. According to the City Hall data, the premises are rented to firms from the following sectors: trade (30.5 per cent); services including unique craft activities (30 per cent); cultural activities, workshops, galleries (8.82 per cent); offices (8.02 per cent); NGOs (5.27 per cent); catering services (5 per cent); tasks coordinated by the Capital City of Warsaw (4.12 per cent); health care and pharmacies (3.67 per cent); warehouses (2.86 per cent); and banking (1.15 per cent) (City Hall, 2015). According to local regulations, the lease contracts must be renewed every three years, which is connected with constant uncertainty as to whether leases will be extended for the subsequent period.

> "The problem is that the city does not rent its premises for a period longer than three years. We know that you have to invest a fortune when opening a place where you serve food, and you cannot expect it to bring any profit earlier than that. And this is when they throw you out of the building and you are left with nothing but debts." (R2, male, 30, services).

Entrepreneurs who decide to expand their business, or consider it a possibility, usually decide not to do so in Praga. When asked whether they would open another cafe or bar in Praga or somewhere else, most entrepreneurs say that they would rather try another location: "*It's OK here in Praga, but if I start a new business in this sector it will not be here. Maybe in Ochota. It's safe and quiet there. There are different people living there*". (R9, male, 35 years old, catering services);

> "For a start, I would like to open a second bakery somewhere else. Maybe on the other side of the river, as now people have to come here to buy our special kind of bread. And the second stage is to develop a burek empire." (R24, female, 27, production/trade).

*Conclusions*

The social diversification of the entrepreneurs interviewed is related to the structure of education, gender, origin (usually from different parts of Poland) and their life trajectories, and to a much lesser extent, ethnic status and age. The analysis of interviews with expert, interviews with local entrepreneurs, as well as the general overview of Praga's entrepreneurial landscape unveils a picture of an area where entrepreneurial activity is basically restricted to small firms struggling to sustain their businesses. Apart from large investments such as the Koneser, most

firms do not make considerable profits and their development perspective is unclear. The opportunities, which are due to low barriers of entry and limited rental costs, have, for many years, been a strong pull factor for enterprises in this area. Therefore, many of the small firms were already established during the early transformation period of 1989/1990 and are run by people of 50 years and older.

As stated by the interviewees, entrepreneurship is in many cases treated as an additional means of earning, next to a low retirement pension. Many of the business owners interviewed declared that they have a university education, but can find no better way to make a living. This is related to the current requirements of the labour market, which do not comply with the educational structure. Many educated people are therefore forced to perform low-paid jobs, not necessarily equating to their capabilities. An owner-run business is often perceived as an escape from that situation, although its character does not allow it to make direct profit from their education as well. The activities usually undertaken do not require a high level of competence.

The respondents interviewed are familiar with Praga. They know it not only from stories heard, but also from their own experience; nonetheless, they mostly live outside the research area. What is interesting is that the place of living, within or outside the research area, does not significantly affect the opinion about Praga itself or the possibilities of running a business there.

Several minority ethnic groups are represented among the respondents. This small number seems to result from a low share of immigrants in Poland, as well as in the research area. The sense of insecurity is an additional and significant factor, which reduces the economic activity of in-migrants, especially non-Europeans, who appear different in comparison to the local population. In interviews with this group of respondents, Praga would seem to be an unfriendly and dangerous place. These comments, however, do not occur among businessmen from European countries, who speak of warm and heartfelt relations with the locals.

The respondents are primarily active within the services (catering in particular) and trade sectors, which reflect the general economic structure in Praga. Although the area is known for the work by traditional artisans, their number is gradually decreasing. In the current Integrated Revitalization Program, the Warsaw authorities have planned some initiatives to help facilitate the functioning of traditional handicrafts workshops in Old Praga. One of the options considered is the creation of a special "enclave" for craftsmen in Mała Street.

It seems that even with subsidised rents, this action will not reverse the general trend leaving the problems facing craftsmen unsolved. This trend is expected to intensify, mainly due to the availability of inexpensive mass-produced goods. The demand for repair or manual manufacturing of products is decreasing more and more. This is true not only because of a shortage of customers, but also owing to the fact that young people do not choose to gain education in this sector. Thus, even if demand for these types of services grew, there would be no trained human resources left to undertake the tasks required. Our findings are in line with

how Gardawski (2013) describes typical craftsmen who prove to be attached to their profession, and not necessarily willing to change the business even if it brings more profit.

The vast majority of firms operate in municipal premises of low standard, often without heating, ventilation and sometimes even with no access to the sewage system. Interestingly, low standard is an indirect pull factor for small entrepreneurs to come to Praga, because it is connected to low rents. There are, however, many disadvantages resulting from renting such places for business in Praga. They are an inconvenience, especially for firms operating in the services sector. Firstly, the common practice of three-year lease contracts not being prolonged limits the firm's development perspective. Second, it is difficult to raise the standard of the premises. Many premises in the services sector are located in pre-war buildings and are often subject to supervision by a conservation officer. All changes, especially those visible on the outside, require numerous agreements and the use of costly traditional building materials. This may be one of the reasons why businesses usually consider opening new facilities in locations other than Praga Północ.

## 5.2 MOTIVATIONS TO START A BUSINESS AND THE ROLE OF URBAN DIVERSITY

The literature on economic performance identifies a number of motivations to start a business. Lemańska-Majdzik (2007), for example, lists the following reasons: a new start, new possibilities, curiosity, noticing interesting possibilities and trying to use them; and the need of "dream fulfillment", the need to test oneself in business, an unexpected inflow of capital, as well as the intentional act related to the implementation of desires and dreams. The interviews analysed take account of the above motives, though most of the reasons identified are related to purely rational circumstances, such as necessity, financial problems, the availability of premises or low rental costs at a given location. Among the motivations listed by the respondents to establish their own business in Praga Północ, the following predominate: opening of new opportunities (both – individual and those related to political and economic change) and the need to be independent. Some interviewees also claim that their decision was just a pure coincidence.

In the case of our respondents, the same motives can be observed with respect to native Poles and in-migrants, both well-educated and not, and some parallels can be found between their decisions and the circumstances described by the 'disadvantage theory' (Hackler, D. and M. Mayer, 2008). We presume that the incentives pointed to are linked to the specificity of the research area, its socially diverse and deprived nature. In line with Clarks' (2015) argument concerning deprived neighbourhoods "*it is difficult to avoid the general conclusion that these not only have less entrepreneurial potential by virtue of population composition (lower skills and less capital, most obviously), but also provide a more challenging environment.*" Under such conditions the push factors are also strongly represented (Kirkwood 2009, Islam 2012). While inspiring specific firms, especially in the creative or catering services sectors that search for interesting,

vibrant, non-conventional locations (Landry 2000), low standard areas usually attract entrepreneurs due to the fact that they offer low operational costs and are therefore competitive.

It is argued in the literature on diversity and entrepreneurship in cities, that owing to their social composition, diverse and/or deprived areas provide opportunities for enterprises, and also beyond the creative sector (Flögel, Gärtner 2015). In line with this argument a growth of wages could be expected in Praga, to be followed by a lower unemployment rate:

> *"Taken together, diversity-growth effects in urban areas should lead to higher wages and employment rates in more culturally diverse cities. Set against this, social and political impacts of higher diversity may have a negative impact on economic outcomes."* (Nathan, 2011).

Most of these examples refer to ethnically diverse areas in cities with high in-migration rates, whereas cultural diversity in Praga builds mostly upon differences in educational level, lifestyle, regional origin of the dwellers and their values. Some analogies can be found with regard to the economic performance being more vibrant due to diverse local demands. On the other hand, and also in line with Nathan's argument concerning social and political impacts, the firms in Praga, even when attracting customers, suffer from low economic indicators with their activity hardly viable.

We assume that one of the major motivations for the establishment of businesses in Praga Północ might be the specificity of the district, in terms of its built, as well as social environment. Its main physical component consists of old, pre-war buildings, an atypical picture for Warsaw in general as the city was almost entirely destroyed during the WWII. Our research reveals that Praga Północ is inhabited in many cases by long-term, more settled communities living in a family structure unchanged since the 1940s (Korcelli-Olejniczak et al. 2015).

Another pull factor attracting potential entrepreneurs is the strategy by the Warsaw authorities aimed at the creation of a culture-friendly area designed for arts and artistic activity. Two distinct examples of this activity are the newly built Creativity Centre in 56 Targowa Street and the very recently opened Google campus for start-up firms. It may be expected that such initiatives and investments will, in the near future, attract younger entrepreneurs. Both of these investments are directed at supporting the creative sector. A supportive function is currently played by the Integrated Revitalization Programme, which aims at improving the immediate surroundings of business operations. We assume that the result of those actions should be an increase in the number of representatives of creative businesses, in particular those in the field of arts, present in the area.

*Motivations for establishing a business*
As mentioned previously and according to the entrepreneurs interviewed, the main reasons behind establishing their own businesses is the emergence of new opportunities, the desire to be independent or, simply an effort without clear motivation. Interestingly, most of the

interviewees had problems with answering the question about their motivations to become entrepreneurs, the establishment of their own business or engaging in joint business activities. It seems that the respondents lack a thorough reflection on these matters. In spite of the above, some trends can be observed. In most cases these motivations depend on the time when the firm was established – whether before the socio-economic turn of 1989, during the 1990s or more recently.

Some of the respondents started to be active as entrepreneurs simply because such preconditions occurred. In particular, this concerns people who decided to work in the private sector after 1989, when legal regulations concerning the establishment of firms were relaxed. Although in the 1980s the situation of private entrepreneurs significantly improved, there were still strong restrictions for starting and maintaining a private business – proof of an adequate education and the payment of fees to a guild. There were also problems with provisioning, since goods manufactured by state-owned factories were not generally available for selling in private shops, and partly also not for use in private workshops. Entrepreneurs were always at risk of paying extra taxes on the basis of "visible signs of enrichment" and their children were underprivileged in relation to access to university education. Therefore, when asked about the reason of establishing their own business, the respondents often say: "*simply because there was an opportunity to do so*". (R29, male, 27, trade).

However, every individual case was to some extent different. The diversity of entrepreneurs reflected directly the diversity of reasons to establish a business. This particularly concerns those entrepreneurs who started their professional career in the pre-1989 period during state socialism, when the private sector constituted only a small part of the economy and was stamped and singled out as anti-systemic. In the case of those people, the motivation to start their own business seems to be either a spontaneous decision or an effect of social pressure.

*"In the old days the situation was different. There was a shift system in the Cooperative, the second one ended at 10 pm. I started working in 1979. There were two hairdressers and two barbers on every shift, or a hairdresser, barber, a manicurist, a pantyhose repairer and an old lady doing nails. A friendly, smiling lady – she worked till she turned 72. There were eight people employed, but, as there were not many salons in the area, we had many customers, in the first place from the Różycki bazaar. The bazaar was as crowded as the very downtown."* (R 40, female, 62, services)

Asked about the period when the situation changed, the respondent says:

*"Changes started after 1989. Such salons were either franchised or sold almost for free to private persons. But everybody was scared to accept such a gift. At that time, I was a quiet executive manager, afraid of everything. They told me to take care of the business, and if not they would just close it down, leaving people without work. So I took it, although at that time bureaucratic procedures were complicated."* (R 40, female, 62, services).

The establishment of owner-run firms took place at the beginning of the 1990s and was a very popular way for young people to enter the labour market. Those were the times when the economy in Poland changed its structure, giving possibilities to people with open minds and not distorted by the previous system.

> *"The early 1990s gave us, at that time young people, a unique opportunity to act and achieve goals. My friends and I thought about establishing our own business. As one of my friends was an architect we came up with an idea to create something in the field of investment and construction. Those were times when everybody had not much more than a good will. We lacked capital and practice; the procedures were also unknown to us."* (R25, male, 62, production/trade).

An important motivation to start their own business in the 1990s was also the search for an optional employment modus, beyond traditional practice. The possibility of self-employment was a way to avoid one's responsibility vis-à-vis the superior: "*I wanted to be independent.*" (R18, female, 49, services).

*The importance of location and place diversity*
According to the research conducted, the decisions about the location of firms in Praga Północ are based on very different motives including: proximity to place of living; sentiment; the specific social atmosphere of Praga; low rental costs; and low barriers to entry. The latter allows the entrepreneurs to fill in certain supply gaps that meet Praga's local demand.

The vast majority of entrepreneurs surveyed based this decision on non-economic reasons, among which the prevailing ones were: proximity to the place of residence; sentiment; and the local atmosphere of Praga. The most common motivation given relating to the choice of location was 'accidental decision'. Often, accidental information obtained about the possibility of renting premises is given as a sufficient reason to decide about the location of the firm. The respondents who were asked about the reason for establishing their business in Praga say: "*Nothing really decided about it, it just happened*" (R29, male, 27, trade), or "*At that time I wasn't thinking about Praga or anything. We were just looking for a place and found one here.*" (R9, male, 35, catering services).

For some people an important location factor is the relative proximity to their place of residence. This, of course, refers only to those entrepreneurs who live in Praga[42]. They state that they know the area and what to expect in terms of its social and physical features, its limitations and possibilities. At the same time, spatial accessibility is an important factor. The respondents claim to save time and money when the physical distance to their place of work is shorter. Some say that they are members of the local community, which allows them to find better access to the local clientele. Also, the familiarity with the area provides a feeling of comfort despite the general opinion that the district has high crime rates. The following answers are characteristic for this attitude:

*"I live in this district. I don't have to travel far to work (…). Especially in the old days, it used to be nice to work here despite the people who live in Praga. It's OK, when you are familiar with the surroundings."* (R5, female, 63, trade); *"I live nearby"* (R7, female, 60, trade).

There is also a large group of respondents who have moved out of Praga, but were born there or spent their childhood and youth in the area. These people carry many emotions connected to the place. The feelings and fondness for Praga are declared as a very strong stimulus:

*"And then we started to think about Praga. This was a place that we were always fond of, had feelings for, as we come from Warsaw and Praga is a true example of a Warsaw district, of a Warsaw which survived the damages of World War II, Praga with people who survived. We have always been attracted by this authentic place and decided to establish a business."* (R25, male, 62, production/trade).

An important reason for locating firms in Praga is the 'specific atmosphere' of the district. The combination of authenticity, that is not available in other parts of Warsaw, composed of old pre-war tenements, and a diverse local community, characterized by local hyper-diversity and rules of cooperation. Importantly, this type of motivation is equally important for people familiar with the district, as well as for entrepreneurs from outside of Praga Północ:

*"The specificity of the area is that it has a pre-war climate, that people know each other here (…). I am a Warsaw tour guide and an aficionado of pre-war Warsaw, and Praga offers such a climate. When I go and visit a barber in my building everybody knows what I'm doing professionally, when they want something from me they just come and ask."* (R21, male, 35, services)

Among the more rational motives identified are low rents, market size, proximity to the city centre and expectations as to future improvement of the district connected with the Integrated Revitalization Programme. The most frequently named motivation in the area is low rental cost. This allows the business to reduce fixed operation costs, which is extremely important in the initial phase of activity for those enterprises that are still in search for customers:

*"Praga has tempted us you see with low rents, considerably lower than in Ursynów, Mokotów or in the city centre. We would have to double our prices if the rent would be as high as there."* (R14, male, 58, trade);

*"I reckon that if we would rent premises in another area than Praga Północ we would have to close our business before opening it. The rent is five times lower than in the strict downtown area. Here we have wonderful business premises, 100 sqm. I love it. Even if I would have to give up my business, I would still rent it and live in it. The rent costs are Praga's great advantage."* (R39, male, 43, trade)

Only some owners of businesses declared that they have based their choice of location on an examination of the local market and an attempt to fit into its requirements. Low barriers to entry, a local demand – the availability of a clientele, and 'fitting into a niche' were the most frequent among the economic motivations:

"*We knew it from observation and market research. And then we wanted to do it in a more original and unique way.*" (R15, male and female, 41 and 38, catering services);

"*I wanted it to be here as we live nearby. And there is no bike service in the area, a beneficial niche.*" (R2, male, 30, services).

In some cases, and in addition to their own market research, an important argument is the proximity to the city centre via a convenient and fast public transportation system (tram and bus, and recently also a metro line):

"*It is difficult to say what the advantages of Praga are in terms of business location. Well, I think that the district has a fabulous location within the space of the city, as it is close to the downtown area and along with the development of Warsaw, the area will also change for the better.*" (R16, female, 42, services).

Some entrepreneurs count on the improvement of Praga's economic situation as an effect of the district's revitalization programme and large investments, such as the Praga Port area and Koneser housing developments. They hope that the clientele will become more diverse due to the area's gentrification and the turnover of their firms will grow: "*Due to the specificity of the area, new residents, who will come to live here, shall be interested in my services*" (R26, male, 62, services).

To some extent, the motivations unveiled by the respondents are convergent with those presented by the inhabitants. Two kinds of analogous motivations are especially evident. One is related to economic issues, such as low real estate costs, and the second concerns the specific social atmosphere of Praga, its artistic, creative, traditional, but at the same time very diverse character.

*Selecting the line of business*
The respondents give a number of different incentives for setting up their businesses in Praga Północ, mostly related to their specific sector. We were able to describe these using more general categories, such as interest, market research and business experience, sentiment, influence of family and friends, inheritance, as well as the accidental decision.

The most frequent reasons for starting owner-run businesses, as identified by the respondents, are the interest in the specific sector, the type of education, or skills:.*"I worked as a locksmith. I liked doing that I like all kinds of precise work"* (R19, male, 52, services/trade); "*Photography.*

*It's my job, my education, I like it*" (R17, female, 55, services*). A similar reason, also related to personal interests and hobbies, is the possibility to fulfil one's childhood dreams: "*I always knew what I wanted to do. When I was five I used to comb my dolls' hair, I stuck some bits and pieces in their hair and I combed them and combed them,*" (R40, female, 62, services). Another respondent says: "*It was my childhood dream. I wanted to have a greenhouse, but I didn't have a plot where I could get it constructed, so therefore I thought of a flower shop. I like to work with flowers.*" (R7, female, 60, trade).

Frequently, however, it is also the result of a thoughtful analysis of the local market. Businesses have tried to respond to the market gaps in local services or follow the trend:

> "*At the time we started our business there was a large niche. Imagine that there were ten pizzerias in the city and someone opens a chips bar (…). We thought that as so many people travel abroad, there is a potential niche here for such activities. And it turned out that we were right.*" (R21, male, 35, services).

Some entrepreneurs try to have a forward-looking perspective:

> "*This is a district located, as it is, with a large development potential. We started this business before the euro was introduced. Poland was changing, Warsaw was changing, more and more tourists were coming to Poland so we wanted to use these processes to promote this part of the city. A restaurant is a natural component developed in the hotel business.*" (R16, female, 42, services).

As part of the rational analysis of the market, some entrepreneurs willingly used their own experience and drew conclusions from previous businesses. Sometimes these are based on the failure of a former idea, and hence, a wish to start a completely new business in order to acquire new clients, and sometimes in order to improve the already successful business:

> "*My mother who was Russian worked in a Russian bookstore. Meetings concerning Russian culture were organized there in the evenings. The bookstore looked like a florist. My mom thought that there is demand for such a place after we closed the former place. Hence, the primary décor of this restaurant. It is both a place of encounter and a place to eat.*" (R3, male, 28, catering services).

The most frequently given motivation for the choice of business type is based on sentiments and the assumption that the local customers will appreciate what the entrepreneur is offering. Sentimental reasons are related, *inter alia* to the traditional local material culture, which is characteristic for the past, or in the case of non-Poles, the respondent's country of origin. Businesses started for those reasons were generally niche-oriented, often based on exotic or regional specialty products or services:

*"There are two reasons. First, I come from Serbia. Second, my boyfriend who visited Serbia loved the local food there. We used to joke that we should open a Serbian bakery. And then we really did it."* (R24, female, 27, production/trade);

*"I was aware of the fact that such things are unique. I was born in the 1950s when stores like this used to exist. There are people who like old, design and interior gadgets, furniture, jewelry and art that cannot be purchased everywhere. People come here looking for something original for a present, those who avoid chain stores where everything looks the same…"* (R23, female, 58, trade).

Often, however, the choice of business line was not based on the respondent's preferences, but was rather molded by his family or friends. This generally concerns those cases when an individual had problems with the decision what to do in life (e.g. because of poor education performance or poor health):

*"When I was 16, I had no idea what to do with my life. I was not good at school, so my parents decided that I should go and learn job skills. And purely by chance, this job was a great success."* (R26, female, 62, services);

*"A friend talked me into this when I was on maternity leave. We then established a company but parted after a while. Now she is on her own, as well as me. My education is different, but I finished some courses in accounting. And the business seems to work."* (R22, female, 60, services);

*"I wanted to be a forester but became a locksmith. All because I got poliomyelitis. I was crippled. It's much better now but I still limp. The doctors told me that I have to find myself an easy job. At that time a locksmith was a good job."* (R34, male, 63, crafts).

Another type of external motivation was the inflow of money from a deceased spouse or family member:

*"This was not my idea. I took over from my husband. My husband finished at a school where he learned to be a glassworker and wanted to establish his own business, which was very, very successful. This was one of the best glass working businesses in Warsaw."* (R11, female, 60, crafts).

Last but not least, in some cases the line of business was not planned and had no assignable cause: *"It happened just by chance. I did not have an idea what to do, so I bought these premises…"* (R4, male, 39, services/catering services).

*The availability of advice, start-up support, and finances*

The majority of respondents declare a total lack of any assistance in establishing their business. This applies to financial aid (including loans), infrastructure and information. The same question concerning institutional or financial support provided by the city or state authorities often evoked laughter or outrage – almost no one believed in the possibility of any public support: *"Absolutely no, nobody thought of credit at that time. I never borrowed any money, never thought about loans. I always succeeded in earning what I needed"* (R26, female, 62, services). Another woman says: "*I inherited some money after my father died and it was enough for the start. No credit.*" *(*R23, female, 58, trade*)*. And still another respondent claims: "*I took the money out of my own pocket.*" (R31, female, 47, catering services).

There are also businesses where the respondents claim that the capital from the parent company belongs to its primary owner, while the subsidiary firm is their own investment established without external money: "*The French company financed the parent company, we as three partners have contributed with our own resources*" (R16, female, 42, services).

Those who speak of receiving help when starting their business most frequently point to support from family members. This assistance has various forms, and the most frequently mentioned is moral support and physical assistance when opening a new business. Financial support, both direct and material, had more of a barter character, i.e. availability of the necessary equipment or infrastructure. A less frequently mentioned type of support, but also present in one of the interviews, is mentoring, the provision of supportive expertise regarding the chosen business sector: "*To be frank, I first worked for my uncle in the same branch for a year, then I found a partner and started something on my own. My uncle helped me. He lent me the equipment required which was expensive.*" (R19, male, 52, services/trade). When asked about external support the man claims that this was a family business with everybody supporting everybody.

Most interviewees give a negative response when asked about support from the city or whether they received bank credit: "*No, I didn't get anything"* (R21, male, 35, services*); "The family gave me money. My dad did*" (R9, male, 35, catering); "*The family always helps. We do everything by ourselves. We don't hire anybody who is not a member of the family*" (R2, male, 30, services). Strong evidence of support on the part of the family or close friends exists: "*I borrowed money from friends*" (R7, female, 60, trade); "M*y friends had an idea who can construct this, nobody except them helped me*" (R24, female, 27, production/trade); and this is both with respect to financial as well as to knowledge-providing, and proves that the area analysed is characterized by strong bonds. It resembles the case of local residents. The community of entrepreneurs in Praga Północ exhibits features of a family-centred society (Fukuyama 1996) with strong bonds between family members. At the same time, it is characterized by a low level of trust, a situation that impedes the development of larger scale businesses.

Notably, the support of family and friends is noted by both Poles and foreigners. In the two groups family and social contacts have proved to be more important than ethnicity or physical

distance. The latter is important in the case of the need for direct assistance, but it is not a barrier to other kinds. The association to which the school belongs plays an important role for the local community-owned high school, which is in the sample. The interviewee says that the association helped to establish the infrastructure of the school, carry out renovation of the building and helped to organize the work of the school. Nevertheless, what was significant, according to the school's principal, was the intellectual support that allowed it to create a cohesive school and develop it in this direction:

*"A significant support was the cooperation with Danuta Kuroń[43], and then the Society of Friends of Community High school No 1 in Warsaw was a great organizational help. They established this new school, took care of the renovation process of this building, organized seminars for people who founded this school. This was kind of a community support you see."* (R30, female, 50, services).

Most entrepreneurs who participated in the study express considerable distrust towards bank institutions, particularly concerning loans, although some have opted for this type of financing: "*I received credit, a loan as they called it at that time*" (R20, male, 42, services); "*I obtain credits on a regular basis*" (R22, female, 60, services). This is in line with some general trends observed in Poland, which show that Polish society remains quite varied in their attitude to commercial banks. Still, the percentage of Poles declaring large or moderate confidence in banks during the period 2013-2015 has grown slightly, from 57.4 per cent to 62.3 per cent (Social Diagnosis 2015).

Only a few of the respondents who have succeeded in receiving support from national or EU institutions are satisfied with it. They treat it as a rather small and additional benefit without a special effect on their economic performance. They also declare that support from national institutions is difficult to apply for due to bureaucratic procedures, and it does not constitute a significant financial supplement:

*"Yes, I received some support designated for beginners, without experience. I have received it for 10-12 months. It was not enough; I rather treated this support as a small gift. I had my own resources, I inherited some."* (R17, female, 55, services).

The respondents generally claim that the EU provides somewhat better support:

*"The support from my husband, financial support first of all. As to external support, I participated in a training course and got EU funding. I prepared a business plan and it worked."* (R18, female, 49, services).

The lukewarm attitude towards grants offered by government and EU institutions is not only expressed by domestic business owners. Foreigners are similarly unwilling to apply for support to the institutions associated with the government of their countries, even though they are

allowed to apply for it both there and in Poland. Asked whether he has applied for external support, a respondent says:

> *"Absolutely not. We did not apply, although maybe this could be supportive for example, if we would write to the Russian Embassy. But the bureaucratic procedures are difficult and probably this would not be a one-sided, selfless support. They would want us to do something for the Embassy, for example organize events or something. This would not be worth the effort, I am afraid."* (R3, male, 28, catering services).

The important role of assistance from family members, and a relatively feeble support from institutions and third parties, is further evidence that the area investigated can be defined as a relatively closed community characterized by a low level of trust, and the dominance of bonding social capital.

*Conclusions*

The trajectories of the professional lives of entrepreneurs in the area investigated reflect the socio-economic complexity of societies in this part of Europe. In Poland, until the early 1980s it was very difficult to conduct private economic activity. An exception was small crafts, some of which escaped the incorporation into co-operatives and survived as independent businesses. Other, more complex forms of business ownership began to appear in the final period of state socialism, with a rapid development of entrepreneurship after 1989. These processes are fully reflected in the material collected in the interviews.

With its sense of "authenticity", but also strong differentiation of places characterized by a mixture of old buildings and modern housing, the choice of location for business, in particular in its initial operation phase, is an important motivation. It is clear, however, that the reality of such an approach was quickly verified. They realized that Praga is an attractive location for business due to its local specificity and incipient upgrading, but simultaneously also more difficult than any other area in the city. Many respondents chose to operate in the research area by accident. Particularly in the case of micro-firms, these decisions were rarely preceded by an analysis of local market conditions.

A significant motivation for starting their own business was also the risk of unemployment. When setting up their businesses people mainly count on themselves, their family and closest friends. They apply to banks and other institutions with considerable distrust. This illustrates the role of bonding social capital, strength of family ties, including traditional, multi-generational families. The approach of businesses to external support varies, but generally it is treated as a potential threat rather than an opportunity. Importantly, similar strategies can be observed in firms owned by Poles, and in those led by in-migrants. While in the latter case, it can be quite easily explained by the feeling of insecurity and lack of the diaspora in the host country, and in the case of Polish entrepreneurs it seems to confirm the general distrust towards formal institutions, which is an expression of path dependency guided behaviour.

## 5.3    THE ECONOMIC PERFORMANCE AND ROLE OF URBAN DIVERSITY

There is a large body of research on the relation between diversity in urban environments and economic performance, and on economic performance of individuals and social groups. While many works point to the negative influence of social heterogeneity on economic growth (Easterly and Levine, 1997; Alesina and La Ferrara 2005), some authors perceive cultural diversity as an economic asset that increases productivity (Bellini et al. 2008) and competitive advantage (Eraydin et al., 2010, Nathan 2011). When analyzing economic performance in Praga Północ it can definitely be claimed that the social diversity of the area and the quality of economic performance are interrelated, both in a positive and a negative sense. The diverse and dynamic character of the district makes it an attractive place for creative persons. It can be expected that this in turn could be a locational factor for specific businesses. The research conducted proves, however, that this is not necessarily the case.

The Praga Północ district has been developing at a fast pace in recent years. Ongoing changes are stimulated by city policy including the implementation of the Integrated Revitalization Programme (2015), which directs a large part of city funds to the district. Huge private investments include the Centrum Praskie Koneser (Praga Centre 'Koneser')[44] and the Praga Port, a modern complex of residential, office, cultural and entertainment facilities. In March 2015, a new subway line connecting Praga with the other side of the river and the city centre was opened effectively reducing traffic congestion on bridges. All of these changes mean that Praga, the area known as the unfriendliest district of the city, is becoming tamed and more accessible to residents of other parts of the city and to tourists. It can be expected that the gentrification process, as well as improving transportation facilities, will have a positive impact on local entrepreneurship by increasing the number of potential customers and reducing costs associated with security provision. It should be noted, however, that these changes take place in a specific business environment described by Gardawski as being established upon imitation and performance evaluation, not necessarily following the most effective model of an innovative knowledge-based economy (Gardawski 2013).

A specific feature of Praga Północ is its diverse population structure, which creates potential and opportunities for different kinds to find a niche among a diverse clientele. At the same time, however, it is difficult to offer a product that would allow a business to gain a broad range of clients. Praga Północ is a specific district also in terms of its business structure. Over 98 per cent of enterprises are micro-firms, employing less than 10 people. It can be generally assumed that Praga creates favorable conditions for the development of small enterprises.

*Economic performance of the enterprises*
The economic condition of enterprises in the research area is highly diverse. It should, however, be noted that according to the Central Statistical Office, people working on their own generally earn more in comparison to other groups of employees (Kliszko 2013). We evaluate the economic outcome of businesses on the basis of the respondents' opinions. We consider it as

the best indicator, since most respondents (37 out of 40) refused to answer precise questions concerning the turnover of their firms. This chapter is ordered according to the type of enterprise and entrepreneur. Firstly, we describe differences between firms according to the time they were established, the branch and size. We then refer to the entrepreneurs according to their ethnicity and gender. Finally, we mention the challenges that are faced by all entrepreneurs owing to Praga's specificity.

The majority of firm owners are fairly pessimistic concerning the sense and profitability of doing business in Praga Północ. They claim that they keep losing customers and that their turnover has dropped. This can be seen most strongly among those micro-firms, which began their activity before the transformation of 1989. One respondent claims: *"If I could retire, I would instantly. I am living on the edge. There are no shoemakers nowadays because it's not a rentable business. That's a simple calculation."* (R34, male, 63, crafts).

Among the firms surveyed, those that predominate are those that started business after the transition. The ones that have operated for five years or more usually more positively evaluate the current state and prospects for their business. There are examples of relatively stable enterprises. Their positive situation seems to be the result of adapting the offer to local market demand, which can be a difficult task for new entrepreneurs.

The majority of craftsmen presented a pessimistic attitude. This group of entrepreneurs deserves special attention because, according to the plans of the city authorities, they may become the calling card of the district by attracting new inhabitants and tourists. Based on the collected material it is clear, however, that this is a misguided strategy due to the overwhelming trend of a developing consumer society – the tendency to exchange the old for new products, as well as the lack of any real support from the local authorities. "*Small entrepreneurship is dying. How can you prosper if people around don't have money?*" (R34, male, 63, crafts). This is especially true for traditional types of enterprises whose form of activity has not changed for years. It is only if a craftsman succeeds to find a suitable niche on the market and expand the range of services offered, especially by adding products, that the position of such a business could be relatively more favorable. The opening of the new subway line has not improved the situation, and in many cases made it even more difficult. It seems that beside the increasing availability of Praga Północ for customers from outside the district, a more important outcome was the growth of accessibility to services offered in other districts of Warsaw effectively pushing customers away from Praga and the services offered there by local businesses.

As an overall effect of the difficult financial conditions, the majority of respondents decided not to invest their revenue in advertising, though this does not mean that they totally forego this form of activity. They choose, however, free forms of communication, such as free web portals (mostly Facebook), as well as word of mouth marketing, thus trying to acquire new customers by investing time rather than money: "*We advertise on the web, so some women drop in when they get information from there, but generally, one customer recommends us to another customer*" (R26,

**Fig. 17** Catering services – a considerably profitable business (Picture by F. Piotrowski).

female, 62, services). Another respondent says: "*We have a fan page on Facebook. People can learn things about herbs, teas, interesting products.*" (R14, male, 58, trade).

As mentioned earlier, the largest category in our sample is micro-firms, which include traditional craft workshops. Interviews carried out with entrepreneurs running somewhat larger business, those that employ 10 persons and more, provide us with more information. All entrepreneurs in this category describe the economic situation of their businesses as stable or even progressive. This may be due to the fact that maintaining the position of small to medium-sized enterprises must be the result of a long-term effective marketing strategy. The number of employees becomes, in this case, an indicator of economic success

*"I think the situation is very good. We are introducing changes all the time to attract new customers. And from what I can see, we are succeeding to do so."* (R27, male, 23, catering services).

Definitely the biggest winner of socio-economic change in our research area is the catering business. It gains along with the process of gentrification, which brings new customers and increasing interest in Praga Północ, not just among residents of other districts, but tourists as well. A respondent says: "*The situation is stable with a focus on development*" (R15, male and female, 41 and 38, catering services). Another interviewee emphasizes the interest in ethnic food: "*The situation shows that the interest in eastern, Russian culture is growing, in spite of the image created by the mass media. I hope that our business will grow,*" (R3, male, 28, catering services).

This does not, however, apply to all firms in the catering services. The success is based on quality and innovation of services provided. If one of these features is absent, firms start to face a shortage of customers who prefer to use services of a higher quality, especially when the price is comparable. In the field of catering business, we have observed strong competition. It should be considered as a favorable condition, one that stimulates an innovative and progressive approach with a focus on the quality of products offered. Still, success depends on the availability of regular customers and the position in the local market: "*I can't complain. If you have your*

*brand, people who work for you, whom you trust, it can work"* (R19, male, 52, services/trade); "*My situation is stable. I'm satisfied with it and hope it will stay that way. I should be optimistic, as the tendency is positive."* (R21, male, 35, services).

In most cases, the firms run by non-Poles are prospering reasonably well and are able to attract local customers. Functioning in a somewhat distrustful, sometimes even hostile, environment turns out to be a challenge for them. This problem concerns inhabitants who are visibly different in particular, those representing more distant cultures in relation to the host society. This may to some extent be associated with the media discourse concerning the influx of in-migrants from the Middle East and Africa. Conversely, entrepreneurs from the former Soviet Union or those from Western Europe do not see these issues as a big problem:

> "*I think that things are going in the right direction. People appreciate it if something is different, natural, when everything around is mass production and consists of preserves."* (R24, female, 27, production/trade).

Our research has highlighted that the situation of businesses run by women is usually less favorable than in the case of similar activities carried out by men. According to our interviewees this can be attributed to two factors. Firstly, women tend to be more cautious and reserved in adopting innovations (Rezetti, Curran, 2008), which may be a significant obstacle in the long run, especially on a difficult and diverse market such as that of Praga Północ. Secondly, the women engaged in business in our research area tend to be more critical when presenting their views.

Therefore, the opinions of women are usually more negative than those of men: "*What I earn from this business is enough to pay taxes and buy food. It's difficult to be successful here on your own*" (R40, female, 62, services). Another respondent recalls the times when her father, who established the firm, was still alive: "*That was something completely different, one could live from the business, today its tragic*" (R10, female, 70, crafts).

A confirmation of this can be seen in the fact that enterprises run by partners representing both sexes tend to assess the economic situation much higher, even if it is expressed by the woman: "*We are happy with how our business is developing*" (R15, male and female, 41 and 38, catering services). Very few people responded to the question about the annual revenue of the business. Respondents prefer to speak about market trends and their own situation in a more general, descriptive way. This is in part due to rules prevailing in Polish culture, according to which there is a reluctance to talk about money. There is also a lack of trust. Some respondents seem not to know the answer to that question: "*If I'm allowed I will not answer this question*" (R 16, female, 42, services); "*I don't know, we would have to call my accountant*" (R 7, female, 60, trade). Such responses can be treated as an avoidance of providing an answer, as some knowledge of accountancy seems to be a basic requirement in planning the activity and running your own business.

Among the challenges faced, the one most frequently mentioned by representatives of small businesses is the need to maintain a regular clientele. Many respondents express a far-reaching concern about the quality of services provided and are attempting to develop a network of stable customers. It is seen as a condition critical for keeping the business in profit. A respondent says:

*"If it were 20 customers a day, every day, then it would be great. If there is no regularity in the business activity, no foreseeable turnover, then you can't plan anything."* (R14, male, 58, trade).

Another major challenge facing businesses is what some call 'the climate of Praga'. It is all about a high crime rate (including organized crime) in the district, and aggressive behaviour by some of its inhabitants. The entrepreneurs interviewed often tell long stories about their experiences with security measures and difficult clientele: "*The first break-in was terrible. They took everything off the walls*" (R 10, female, 70, crafts).

*"Residents write letters of complaint about this place, because it is loud here and people get drunk, sing and dance in front of the bar and I get threats that I will have to close down this business. People look at new places; after some time, they get used to everything. So, in the beginning it is important if there is fight, how many times the blood has to be wiped off the floor (…). Well, that's the specificity of this area and this business also. When I started this business I had six security guards. People come here with such equipment – knives, baseball bats. Bottles are flying across the place. It is OK during the week, but the weekends are terrible."* (R36, female, 26, catering services);

*"There were problems as long as I can remember, and there always will be. What shall I tell you, I had problems, a case in court, as I didn't want to pay protection money and I got beaten up. This area is as it is. If someone doesn't accept it, he has to leave."* (Male, 63, crafts).

This also has a direct impact on the working hours of the firms. Some respondents note a lack of customers in the evenings and that they do not feel safe working late hours: "*I even have customers who live in Brzeska Street, but at 10 pm nobody wants to come here. They say they feel like a kebab, but they are afraid. People ask me, how I like my work here. I tell them that it's a risk.*" (R9, male, 35, catering services).

*Markets, customers and suppliers*
Residents of Praga are a very diversified community in terms of age, income, place of origin and lifestyle. Business owners have twofold opinions concerning this question. On the one hand, it is very difficult to find a common offer that would meet the needs of all, on the other everyone has a chance to find his/her own niche in the market and to fit into the needs of a particular group of customers:

*"Praga was always diversified, as a real city, different than Warsaw was for many years after the war. The city on the left bank of the Vistula was created as a new urban place, without roots, a*

**Fig. 18** Traditional craftsmanship, a symbol of 'old Praga' (Picture by F. Piotrowski).

*social discontinuity, built from scratch. Praga, on the contrary, was always mixed, multicultural, different nationalities, different religions, and different professions. A melting pot and a real European city. This is how Barcelona looks like; this is how cities in Central Europe look like. The way Bucharest once looked like. This is how Lviv looked like, or Wrocław."* (R25, male, 62, production/trade).

Some entrepreneurs do not seek clients among the "new" residents of the district intentionally. They are aware that "new" inhabitants have different habits, which they will not be able to face. This mainly concerns the most traditional forms of business in Praga, such as the bazaar trade and craftsmanship: "*New residents prefer large stores, supermarkets. These people around, I remember most of their faces, they are from here."* (R5, female, 63, trade).

In the case of a majority of firms surveyed, there is more or less a balanced share of women and men among customers. An overrepresentation of customers of one sex is only evident where the nature of the business is strongly oriented towards women or men. Naturally, women are more likely than men to use the services of a hairdresser and more often visit the wedding dress store, while men are more likely to visit the mechanics or sports bars:

*"The women who come here say that they learned about this place from a neighbour. 80 per cent of the customers are women. Men sometimes forget about healthy food. They come when they get ill, with liver problems or diabetics. They often ask for advice concerning what they should apply."* (R 14, male, 58, trade).

Among the customers of Polish-led firms Poles predominate, but more and more foreigners also appear. This trend seems to have two explanations. Firstly, an increasing number of foreigners settle in Praga. The relatively low prices on the housing market usually attract not very wealthy Ukrainians, Russians and Chechens. On the other hand, our research area is becoming a popular tourist destination. In this category, EU citizens dominate, but there are also an increasing number of tourists from distant places like Kazakhstan, or Canada:

*"There are a lot of Ukrainians here. They live here. I have known them for four months. And apart from them, there are tourists – from Canada, the US, Israel and Switzerland. There were also guys from Portugal here."* (R9, male, 35, catering services);

*"We have a lot of Italian and Spanish customers; I don't know why. There are a lot of Ukrainians. I think that that there is a hostel nearby, so we have a good location here for such customers."* (R35, female, 32, catering services).

A separate category of respondents involves businesses run by foreigners that offer services or products closely related to the national or regional culture. They often attract customers from other districts of Warsaw, who come to Praga to buy specific products, which they associate with the country of origin: *"Those are people from the Balkans, different countries, Croatia, Bosnia"* (R 24, female, production/trade). According to Hackler (2008), such a business strategy can be risky due to the fact that the specific goods offered support the needs of a small group of immigrants. In the cases researched in Praga, however, most entrepreneurs claimed that their products were of interest to Polish customers as well, as they were considered as being 'exotic' and more natural or 'real' than those 'food substitutes' from the supermarket.

Praga Północ is an area with large enclaves of poverty. As a result, many customers are people without significant material resources. This is reflected in the local business structure. Many firms have to adjust prices to the budgets of the poorest clients, while others are trying to concentrate on serving customers from other parts of the city, or tourists. Some also complain that the poor surroundings often discourage potential customers from other districts: "*Poor people live here. They often don't have money to repair a window when it is broken. They tape them. My customers are people from other parts of Warsaw, better-off people."* (R11, female, 60, crafts).

For a vast majority, trade outlets are trying to provide services to the local clientele first of all (the understanding of loyalty is variable due to the nature of the market). Some declare that this is due to local patriotism, while others mention financial arguments. *"Absolutely, only locally. The wholesaler and the vendor are just around the corner."* (R21, male, 35, services);

*"We obtain our products from Polish firms, which make lamps or ceramics. Poland is known for good ceramics, it's a good business. The paintings are brought by the artists themselves. Everything is Polish. I would even say that these are regional products, from the region of Mazovia."* (R23, female, 58, trade).

Some of the businesses cannot make use of local suppliers due to institutional regulations, such as sanitary inspection:

*"We have to buy our raw products all around the world, as these specific herbs and foods are not available in Poland. We have two warehouses where they obtain stuff from different countries. This is where we make supplies. The sanitary-epidemiological control does not allow us to buy at local bazaars."* (R35, female, 32, catering services).

This usually concerns larger firms. In such cases, the respondents claim that they cooperate with verified, well-established firms: *"We have direct delivery. Those are tested suppliers with whom the kitchen chef cooperates. Same goes for the hotel part. We order from large, reputable firms."* (R16, female, 42, services.)

*Relations among entrepreneurs: Evidence of competition or co-operation?*
Basic market strategies should rely on the cooperation of, or competition between, market players. The dominance of one of these strategies defines the market model. However, in our research area a survival strategy based on minimizing activities and focused on either cooperation or competition with other players is observed. We are therefore unable to distinguish the categories based on the two models. Most entrepreneurs know the owners of other firms in the neighbourhood, but their contacts are mostly restricted to casual greetings. In some cases these casual contacts offer the possibility to seek some support or exchange information about local business:

*"I ride my scooter, say hello to the lady in the flower shop, the girl making hamburgers, say hello to everybody on my way. I can leave my keys in the nearby kiosk, they tell me. I leave them for another driver. The other driver picks them up and recognizes that there is someone he knows working in the kiosk. You don't have to be friends, but everybody knows each other."* (R21, male, 35, services).

Some entrepreneurs do not maintain any contacts at all, deriving both from the habit that contacts outside the family are uncommon, and from the fact that people do not have time for anything but their business. Three women tell their stories: "*I practically don't know anyone here. I don't belong to people who walk around and collect information.*" (R31, female, 47, catering services); "*I once knew people here, but all of them died,*" (R10, female, 70, crafts); "*I don't know any other entrepreneurs here. Everybody takes care of his business.*" (R33, female, 40, trade).

The respondents do not state that they maintain close, friendly relations with local businessmen. Contacts oriented to fulfill specific objectives based on developing a joint development strategy,

cooperation, producing something together, or recommending one another to customers is rare. The forms that exist are non-institutional, based on oral declarations, mainly unstable, and should not be treated as durable elements of business support:

*"I know the people who live in the neighbourhood. Of course, we maintain good relations (…). We have a discount in their firm, they have in ours. (…). Three weeks ago? We organized a piece of place, we came together and exposed our products, our offer."* (R8, male, 28, catering services);

*"These are not strong bonds, not friendship, we cooperate, maintain contacts on a professional basis. We organize international transport for these firms. A customer comes to a firm and they know that he knows someone who takes care of distribution on an international scale."* (R21, male, 35, services).

*Entrepreneurs' long-term plans and expectations*

When asked about plans for the future, most respondents spoke about survival strategies. Concerns about the future are not typical for any group of entrepreneurs. The interviewees are, in most cases, not interested in expanding their businesses, they seem rather worried and talk about the threat of closing down due to the financial situation and the loss of customers: "*My goal is to take care of the firm, protect it. Not to give up and keep trying as times are unpredictable.*" (R23, female, 58, trade). Some of the respondents declare that they feel trapped, as low profits does not allow for a sufficient pension in the future.

Some theories suggest that becoming an entrepreneur is a survival strategy, particularly when minorities encounter barriers that deny advancement on the formal labour market (Fischer & Massey, 2000). Indeed, some older respondents still operate their business out of financial necessity: "*I wish I could retire already. But even if I retire I will still have to work as my pension is not going to be enough for a living.*" (R22, female, 60, services). Another woman says: "*I want to work as long as it is possible. I don't plan any changes or investments. I only want this place heated and that's that.*" (R32, female, 65 services).

Among people who are considering an expansion of their business in the future, most are thinking about opening a new business outside of Praga, although some do not state where it would be. This indicates that, according to the respondents, Praga is not an attractive area for business activity. It is especially worrying that such opinions are expressed by those who are considered to be successful in their business in Praga. In the long term, this might lead to a withdrawal of prosperous businesses from Praga and a weakening of the area's economic performance:

*"In the beginning I wanted to open a bakery in another place. Maybe on the other side of the river, as now people have to come from the other side to buy our bureks. This for the start and then, maybe I will build a burek[45] empire."* (R24, female, 27, production/trade);

*"I would like to open another store on the other side of the river, as I see that a lot of people don't come here because of traffic jams, long working hours, so maybe another store over there is a good idea. So if I find premises that are not too expensive then I will go for that."* (R12, male, 44, trade).

Some of the respondents plan to develop their business, not by considering its re-location, but rather by raising standards, extending the range of services, renewing interiors, etc. It is a difficult task, because it requires facing direct competition with nearby commercial spaces in shopping malls. However, such an approach has a positive influence on the change of the overall image of Praga. In addition to upgrading particular premises, it also has a spillover effect on the surroundings, building facades, walkways, and architecture. A woman who decorates her saloon with own paintings talks about her plans:

*"I would like to paint the walls and hope to do it this year. If I paint them white my paintings will be more visible. More people will come as white is a fashionable colour nowadays again. There will be a change. I try to renovate a little every four years." (R40, female, 62, services).*

Another entrepreneur also thinks that changes are required from time to time to attract new customers: "*I would like to expand the offer. Not only flowers, but also flowerpots for example. Sometimes some small gifts for the customers are required.*" (R7, female, 60, trade). In the case of foreigners, plans are very diverse. Some of them, especially those of European origin, are able to operate successfully in Praga. However, some, especially members of distant minority groups who look differently, tend not to be strongly attached to Praga and express hope that re-location to other districts would be more profitable for their activities. For example, this concerns a Bengali who opened a bar with ethnic food in Praga, but due to unfavorable conditions wants to change the location:

*I don't want to work in this district, or street. Five, or seven years ago I was a little younger and it was easier. Now I am tired of this battle. If I open another restaurant, then in another area, where different people live.* (R9, male, 35, catering services).

*Conclusions*

Recent development trends in Praga Północ seem to have a much greater impact on the situation of residents than of the entrepreneurs. The latter hardly feel the changes related to urban revitalization. This is not too surprising, as existing measures taken under the Integrated Revitalization Programme mainly address the issue of regenerating the physical fabric and does not look at the existing social problems. Apparently, the recent opening of two subway stations in the area turned out to be not enough to attract customers to Praga businesses, but has actually facilitated the access of Praga's residents to businesses in other districts of Warsaw.

The dominance of micro-firms in the area is not associated with support given to small businesses, but rather with the lack of opportunities that would allow these firms to grow.

The city authorities seem to notice the problem, but their earlier initiatives, such as "Otwarta Ząbkowska" (Open Ząbkowska Street) or "Noc Pragi" (The night of Praga) that aimed at improving the situation, are not sufficient in the face of real needs. Such events allow an increase in the income of entrepreneurs, but only for a short time. Despite the poor conditions for local entrepreneurship, there are firms that are examples of economic success. Their target consumer group is, however, usually from outside Praga. These firms often extend their offer to consumers from all over the country, and also internationally.

The image of Praga as a location for business is not particularly encouraging. There is a very low level of cooperation between the owners of firms; most of them do not believe that the future can bring a change for the better. Dominated by a sense of hopelessness and lack of prospects, the businesses in Praga are based on a survival strategy rather than on development and a forward-looking perspective.

## 5.5   INSTITUTIONAL SUPPORT AND GOVERNMENT POLICIES

In order to function properly, institutional support requires a social awareness and on-site availability of supporting institutions, as well as the willingness of rank-and-file cooperation. It seems that the majority of entrepreneurs interviewed in the case study area feel a lack of both of those features. This may have a negative influence on the performance of enterprises, especially for small firms who may largely depend on social capital accumulated from their contact networks.

The willingness to form associations is also an indicator of bridging social capital. As Putnam (2007, p. 143) stresses, a distinction should be noted as to types of social capital, i.e. *"The distinction between 'bonding' social capital (ties to people who are like you in some important way) and 'bridging' social capital (ties to people who are unlike you in some important way)…"* Social relations in Poland are, in general, characterised by a low level of social capital, such as measured by mutual trust and social activity. We assume that these characteristics apply to entrepreneurs as much as they do to other social groups. The low level of trust is resulting from anti-legalist attitudes that can be treated as path dependency effects.

Institutional support offered to enterprises by local and national authorities can cause similar problems to those concerning an association of entrepreneurs as a group. The general distrust towards any governmental structures, the predominance of bonding social capital and the low level of social reciprocity has an impact on the cooperation between business and government. According to R. Boschma (2009), we can assume that the existence of a visible artistic community in Praga Północ should lead to the development of internal institutions that support artistic work in this district: *"Some creative jobs are more likely to induce knowledge spillover or to support each other's presence in a region. Stolarick and Florida (2006) suggested this may be the case for technicians and art designers."*

*Views on the effectiveness of business support provided by local and central governments*

In this section, we start by elaborating on the respondents' opinions about local policies, then about dynamics of contact between entrepreneurs and the District's Office and, lastly, about renting policy. Initiatives coordinated by the local government aimed at assisting entrepreneurs are barely noticed. When asked about facilities offered by local authorities for newly started businesses, the respondents' claim that there are none, or that at least they never heard about any.

This question was irritating to some of the respondents, because they were not aware of any support from the local government. At the same time, they were aware of many impediments to the activities of their businesses provided by the local government: "*Where do you have the facilities needed? They (the local authorities) are here to take from you, not to support you.*" (R34, male, 63, craft).

Some respondents interpret events organized by local authorities (such as *Days of Praga* or *Days of Ząbkowska*) as opportunities for their businesses. Especially for the catering services industry, this means a one-time, but a significant boost, to their income. There are also some business owners who consider local authorities as appreciative of their positive role in the district's development:

> "*I have a good situation, because they [the local government] appreciate that I have been here for so many years. There was only Łysy Pingwin (Bald Penguin) here before and then I came. And after us came all the others. So I kind of pulled these businesses here. Because it is a nice place. I think they like it.*" (R17, female, 55, services).

The respondents consider the low response rate from the District's Office as a big problem related to local government. It really takes a long time to get any response from the authorities; the procedures are complicated and unnecessarily prolonged. For some entrepreneurs a temporary solution to this problem is to find a suitable partner in the District's Office – an employee who understands their concerns. Without that support, running a business can be really difficult, if not impossible:

> "*Whatever we did, there was a problem that needed to be solved by writing applications that were considered for half a year or so… And only because there was that one civil servant among 20 with whom you could talk straight with and who was competent and willing to help [we could solve our problems], that's all. So we held on tight to him, because we knew it might be a week later, maybe two, but he would get the job done.*" (R15 male and female, 41 and 38, catering services).

Additionally, the city office workers and officials are described as not being qualified and not committed to their jobs. They treat entrepreneurs as a 'necessary evil', not as partners who contribute to the development of the district: "*These are people occupying positions that they [civil*

servants] don't like. There is no power. They don't talk to us, don't propose any cool ideas." (R40, female, 62, services.); "*I think there lingers a communist logic and no one considers entrepreneurs as someone who makes any good for the district. They don't treat us friendly.*" (R17, female, 55, services). The quality of communication between the District's Office and entrepreneurs is another problem. The office doesn't usually inform the entrepreneurs about payments they are obliged to, or does it with much hesitation, which makes it very difficult for business owners to work.

> "*The government only puts the skids under us. The communication between Praga's District's Office and us is very bad. They made us pay taxes for real estate for four years back. We were not informed about that at all. It is mindless. It might not be much money, but they tell us about that now, not 2 years ago or earlier.*" (R3, male, 28, catering services).

Another problem brought up by the respondents is the short term of rentals. The contracts are signed only for three years. It deprives entrepreneurs of a sense of stability, which is not conducive to the development of business strategies:

> "*The longest possible rental of a premises belonging to the city is three years. We know that the opening of a restaurant is sometimes a matter of hundreds of thousands of złotys, so for this to pay off it takes about three years. After that you can be thrown out of the place and you don't get the money back that you have invested.*" (R3, male, 28, catering services).

An important issue for many business owners are local government priorities that are far from focused on entrepreneurs. As officials have to take into consideration interests of many subjects, their decisions are often unfavorable for the firms. Asked about the reason why the city declined an entrepreneur the possibility to rent space in front of his premises, the respondent says: "*Because there are too few parking spaces in this street. And we could really use this space, because we could also put some tables outside.*" (R8, male, 28, catering services.) Another reason why many business owners complain is the condition of the premises let by the District's Office: "*It didn't look like it looks now, the place was totally run down. I'm not sure if you can imagine this, it looked like a basement.*" (R15, male and female, 41 and 38, catering services.). This situation is even more complicated by the fact that most of the city-owned housing stock in Praga consists of pre-war buildings with some historical value. All structural renovations and adjustments need to be consulted and approved by the conservation officer. It highly influences the forms and costs of adaptation of these premises for enterprises. Most of the respondents are reluctant to contact local or national government agencies. The latter are seen as oppressive institutions that do not support the development of entrepreneurship:

> "*An entrepreneur here is never sure if they don't come to set his house on fire, to find something when some regulations change. A second thing is that the contact with civil servants is surely not pleasant because they don't come to support you. For example, Sanepid[46] doesn't come to help, only to punish you. It usually looks like this: a controller comes when the owner is not there, someone*

*usually calls the owner to tell him that they have come to fine him, although the controllers don't even go inside to check."* (R15, male and female, 41 and 38, catering services).

Entrepreneurs also complain about the rental fee that does not seem to take into consideration the characteristics of the premises, the number of customers and their economic situation. The local authorities also lack perspective when thinking and planning in terms longer than 4 years. There are no rules that allow business owners to cooperate with the District's Office with respect to social issues. Business owners cannot apply for donations for their projects, which discourages them from taking active local development measures.

*Wider awareness of organizations, programmes, and initiatives to support entrepreneurs*
There is a bias among entrepreneurs to the effect that business associations are strongly focused on collecting fees. Some of the entrepreneurs interviewed see no benefits for their business being related to participation in associations. Nonetheless, for one of the respondents, being a member of the local association of merchants was a very important part of his business strategy. The interviewee claims that the membership allowed him to be competitive in the retail grocery trade:

*"On June 2015 we became a member of the Polish Merchants Association. Mr. Nowak, the founder of the Tarchomin shopping mall, was a close friend of our boss, so they divided Praga into two parts – one is doing business in Old Praga and Bródno, the other one in Tarchomin[47]. This man also founded an association, which was designed for Polish merchants exclusively. Owners of Żabka, for example, couldn't be members. There are about 100 stores in this association; three big firms and we can buy supplies for lower prices. We also have a newsletter, billboards and bargain prices for customers."* (R6, male, 34, trade).

There are examples of firms in the case study area of which the membership in nation-wide organizations positively affects the quality of business. These associations support entrepreneurs to exchange information, share their knowledge and skills. Many respondents, especially craftsmen, are aware of the benefits they can derive from such associations, but they also know that like-minded organizations such as these are condemned to extinction. The main reason for this is the disinterest of young craftsmen in traditional apprenticeships:

*"It's all gone – Izba Rzemieślnicza, Cechy Szklarskie[48], I used to be a member, but now such organizations cease to exist. Craftsmanship is threatened with extinction. Its unappreciated and not advertised. There are hardly any people taught to be craftsmen. In Germany, for example, craftsmen have good positions, even former members of our guilds are welcome there. Have you seen anyone interested in this job here? I don't know, but young people are not interested in craftsmanship, at least not in my sector."* (R11, female, 60, crafts).

It is worth pointing out that entrepreneurs feel that the forming of associations is important, but not in the manner that is offered to them now. Asked what the respondent expects from a

good business association, a woman answers: "*It could organize some talks about new trends in hairdressing, maybe some courses. This is obvious. And some support for hairdressers.*" (R26, female, 62 years old, services).

In some cases, entrepreneurs replace traditional forms of associating with each other with simple forms of cooperation, which is mostly focused on informing clients about one's enterprise. This is a highly rewarding activity, which builds networks of cooperation and trust between business entities. It may lead to the improvement of social capital, which translates into further economic development of the area: "*We met this lady who brought us her leaflets. Here, in Praga, we support each other as entrepreneurs. But we don't do it officially, no.*" Asked how this support works, the man continues: "*For example, I take these leaflets, right? For example, from this restaurant. For example, this is a cool new place that was just opened here, which is worth visiting… On this basis I leave my leaflets there.*" (R14, male, 58, trade). Whereas the majority of respondents neither feel the need, nor have the possibility to associate in business organizations, they are still active in other types of associations, which are not necessarily related to their work:

"*I am a member of Polski Związek Łowiecki[49]. It consumes some time and money from my pocket. My wife was very angry about it. But hey, everyone needs a hobby.*" (R34, male, 63, trade).

In some business areas, firm owners are aware of the existence of national associations in their respective field, such as guilds. This knowledge is often based on experience from the past, but it does not translate into active membership:

"*There is a guild of hairdressers. I guess it still exists, but I don't belong to it. Years back you could be a member and hire an apprentice and it gave you some money. It doesn't work like that anymore.*" (R40, female, 62, services).

In some cases, being a member of a certain organization is mandatory in order to run a business. This means that the awareness of such organizations exists and is higher in those branches, although the opinion about them is not necessarily better. In Praga we observe a low willingness on the part of local business to associate in general. There is also a limited awareness of the existence of such. Artists are an exception here. Most of them are members of the association "Stan Rzeczywisty" (Actual State). They acknowledge benefits accruing from membership of a professional network. This allows them to follow fashions in local art and, at least assumedly, makes it easier for them to win new customers. Unionization is also within their power in contact with local authorities and other partners: "*We assumed that if we associate, when introducing a new brand, we can achieve more in Praga. Show more of ourselves.*" (R17, female, 55, services). There are other examples of such activities:

"*We create artistic associations all the time, that there is a consolidation of artists who have their studios in Praga, some of them working very close to each other but not being aware of it. We have*

*created something called the 'actual state'. There are 12 studios, where you can visit, now it is just a little bit cold and less is happening (…). Nevertheless, for 1.5 years every Friday you can end up in a different studio and look at a different artistic show. We had a joint exhibition, previously we also organized 'the night of the artistic zone of Brzeska Street, with the participation of eight artists. We also persuaded the city authorities to let us use their studios, which were worse than demolished and neglected."* (R37, male, 50, production).

*Policy priorities for entrepreneurship*

The entrepreneurs interviewed propose many policy changes that could support the opening of new, and the sustaining of existing, businesses in Praga Północ. These include: lowering taxes that have bearing on labour costs, stable financial rules provided by local government, the hiring of responsible and committed staff in District Offices, interest in the entrepreneurs' immediate needs shown by officials, simplification of business application procedures and legal regulations at the national level, developing partnership-based relations between entrepreneurs and local authorities, and, last but not least, improving public safety in Praga.

The entrepreneurs postulate a lowering of taxes and labour costs. This especially concerns social security payments. They suggest a liberalization of the taxation system, which could allow for the introduction of custom solutions for business. This standing can be supported by the thesis of R. Torrini, who suggests that providing entrepreneurs with the possibility of avoiding taxes can have a positive impact on the local economy:

*"Moreover, we have developed a simple model that studies the potential role of tax evasion opportunities in shaping the incentives workers face when choosing their job. According to the model, provided that self-employed income is more sensitive to individual effort than paid-employment salary, a tax increase hurts self-employed workers more than employees; therefore, unless self-employment offers sufficiently higher tax evasion opportunities, a higher tax rate reduces the incentive to enter self-employment. On the contrary, if the tax evasion opportunities of self-employed workers are sufficiently high, a tax increase will encourage growth in self-employment. According to the model, higher tax evasion opportunities have a positive and unambiguous impact on self-employment irrespective of the tax level"* (Torrini, 2005).

One of the interviewees, an older lady, comments on this issue:

*"I was hiring people and I must say that taxes are extremely high so the cost of employment is high. I should be able to hire someone for a part-time job. I have a free chair, so if there is a hairdresser, I should be able to rent it to him and he would pay taxes for himself and some rent. Sadly, it is not allowed here. I have no idea why."* (R40, female, 62, services*).*

Business owners would also like to see some kind of financial handicap systems provided by the local government. The main, though not the only, function of this system should be to offer tax-breaks or rent-breaks for new businesses. The respondents think that it would help to

develop the local economy by assisting existing businesses and stimulate other entrepreneurs to open their businesses in Praga:

> *"Well, in my opinion, you see, there should be some kind of rent- or tax-break for, let's say, half a year. Because all these payments are constant right now and they take most of our income, right?"* (R14, male, 58, trade).

According to the respondents, the District's Office should hire responsible and committed staff who understand the needs of the world of business, contrary to the current case where most of the civil servants still mentally stick to the previous system:

> *"I'm afraid that in these offices there are officials who don't really understand us – I think there lingers a logic known under state-socialism and entrepreneurs are not considered as people who make anything good for the district. They don't treat us in a friendly way."* (R17, female, 55, services).

Local entrepreneurs would also like the government (both local and national) to show interest in their immediate needs. They would like to be visited by officials asking about their needs and suggesting solutions:

> *"We would like someone from the District's Office to come to us and say 'Listen, what do you need here, to make this place more colorful, so you can feel well here, so that we can make this dirty and ugly street nice and running?' But no one ever comes."* (R14, male, 58, trade).

Application procedures and putting motions to various government offices should be simplified and accelerated. Even those respondents that see some improvement in contacts with the local government admit that every procedure involving local government offices is extremely long and unnecessarily complicated. This conjuncture discourages many people from taking up any activity and promotes stagnation:

> *"I think that we have the same problems as every other entrepreneur. We would like procedures to be simplified. (…) This administrative part is really bothersome and consumes a lot of time. (…) I think that on the local level there is improvement, more receptiveness for business owners, but there are still procedures that take too long."* (R16, female, 42, services).

This issue is a particular problem for entrepreneurs who would like to hire foreigners without Polish (or EU) citizenship. They have to wait for months for *Karta Stałego Pobytu* (Card of Permanent Stay) to be issued that permits these people to work legally in Poland:

> *"Hiring people that want to work should be simplified. Now, when you make an official statement that you want to hire a foreigner you can hire him for some time and later you have to*

*apply for Karta Stałego Pobytu and wait for six months. During that time, he can't work, that is idiotic, but this is how it is."* (R3, male, 28, catering services).

In this case a change of legal regulations at the national level is necessary in order for entrepreneurs to become partners with local authorities. According to the interviewees, the actual situation, one in which the local government cannot subsidize social projects run by business owners, negatively influences the development of the local business environment. Entrepreneurs also postulate that the District's Office should create a coherent development plan, taking into account a broad range of cultural, social, economic and other issues. In the respondents' opinion, this would improve the attractiveness of the district, so as to pull new clients in. Such a plan should also take care of the infrastructure that would provide easy access to all kinds of business outlets. But first of all, business owners should, on a daily basis, be informed about significant changes taking place, or planned for in their neighborhood:

> *"There are no ideas about how to animate this district and this street. Many premises are closed, so this is what extra attention should be paid to. We know that the city and district do something in this general direction, but it is not enough. The initiative 'Night of Praga' was a splendid idea when it was meant for the whole district. This year it was only organized in Ząbkowska Street."* (R16, female, 42, services).

The plan mentioned should also consider the issue of security. This claim is especially important for ethnic minority business owners who do not feel safe in the area. As we mentioned before, they are 'persecuted' by locals for their different appearance and behaviour: *"Safety should be improved. There is too much drugs and poverty. Poverty is not a problem, but there are too many thieves."* (R9, male, 35, catering services).

The problem of security is also important for Polish entrepreneurs. The respondents suggest that more power should be given to the local government, so that they can actively shape their business policy. They would be able to influence their own rental policy based on economic and non-economic factors, caring not just about income from rents as they used to: *"They should give the local government an opportunity to function in a flexible way and then civil servants would be able to have a more flexible approach."* (R4, male, 39, services/catering services).

There are also some entrepreneurs who believe that the best strategy is changing nothing or who are strongly against getting involved in any politics:

> *"I don't know what I can tell you. I live here comfortably and do my job. I don't get involved in things. (…) I don't want to take any extra money, because I can't take more money and do more. A day is too short for this. I like to have peace."* (R22, female, 60, services).

*Conclusions*

Business owners do not generally reveal a tendency to associate, even when this could theoretically improve their businesses and their chances on the market, with bringing an increase in the number of customers and protecting themselves from sudden economic turns:

> *"As this array of independent coinages indicates, social capital has both an individual and a collective aspect – a private face and a public face. First, individuals form connections that benefit our own interests."* (Putnam, 2000).

A low willingness to undertake joint activities pertains to both professional and personal relations, which is inline with the results from research referring to residents of Praga (Korcelli-Olejniczak et al., 2015). This confirms the rule about the low level of social involvement of not only residents, but also of entrepreneurs in the study area.

The functioning and production of bridging social capital requires a network of contacts and a high level of social trust. Most entrepreneurs – with the exception of those who can be interpreted as members of the 'creative class' – have no experience in the use or the need of cooperation. Nationwide associations function well, and offer possibilities to establish new links and provide necessary knowledge to their members. But in many cases membership is not a choice, but rather a professional requirement, so it is not the case of voluntary associations: As Putnam states:

> *"A society characterised by generalized reciprocity is more efficient than a distrustful society, for the same reason that money is more efficient than barter. If we don't have to balance every exchange instantly, we can get a lot more accomplished. Trustworthiness lubricates social life. Frequent interaction among a diverse set of people tends to produce a norm of generalized reciprocity. Civic engagement and social capital entail mutual obligation and responsibility for action."* (Putnam 2000).

Awareness of any kind of institutional support provided by local and national government among our respondents is of a low level. It is an open question if the reason for that is that such support does not exist, or whether entrepreneurs are just not interested in learning about what is on offer. In our research material, however, the lack of trust towards governmental institutions is very evident.

According to Frederking (2004), the city could strongly improve the situation of ethnic entrepreneurs by applying proper integration policies and treatment at the time of arrival. At the present moment cultural dissimilarity is often a burden for entrepreneurs in Praga Północ, or is simply irrelevant. Proper changes in district and city policies could transform it into an asset for future economic development: *"Government policies matter for the way in which cultures adapt to the new structural context. Whether culture becomes an asset, a liability, or becomes*

*irrelevant, significantly depends upon the incentives and constraints of the immigration policies and the treatment of immigrants at the time of arrival."* (Frederking 2004).

## 5.6 CONCLUSIONS

As indicated in this chapter, there is a large body of research. It argues that a positive interdependence can be found between social diversity and the potential for economic performance:

> *"There is good evidence that economic diversity in cities helps support long-term economic growth (Jacobs 1970, Duranton and Puga 2001; Glaeser 2008, MIER 2009). Furthermore, there is now some suggestive evidence that cultural diversity may also be an economic asset at the urban level."* (Nathan 2011).

The research conducted in Praga shows that the area evades these rules. In spite of being the most diverse district in Warsaw, it does not offer preferable conditions for people who want to establish their own business. This refers especially to micro-firms, which are the most prevalent type of entrepreneurship in the area. In most cases entrepreneurs are discouraged, disappointed and do not believe in the improvement of their situation in the future. Among the economic sectors dominant in Praga Północ, the best set of circumstances pertains to catering services – restaurants, bars and all types of cafes. Younger entrepreneurs usually run these businesses; the oldest respondent was 47 years old. The success of such firms results from being able to attract a diverse clientele. In contrast to most businesses run in the study area, the sector attracts not only local customers necessarily.

Paradoxically, the worst situation is observed with respect to the trademark of old Praga; traditional craftsmen. This profession is actually at risk of extinction, as it brings small profit and there is practically no interest in education in this direction. Whereas, primarily before 1989, craftsmen used to make their living mainly from repairing broken tools, utensils, household equipment or small machinery and other objects. Their at present low economic performance reflects the universal trend of growing consumerism-driven attitudes. In our research, this sector is represented by older respondents – the youngest of them was 52 years old.

The situation of craftsmen in Praga can also be interpreted by referring to the negative relation between the age of respondents and their level of education. This derives to some extent from the specific educational structure in pre-1989 Poland, i.e. under state socialism. That structure was dominated by people with vocational education in case of men, and, general secondary education with respect to women. Only five per cent of the population had university education (Grzejszczak 2012). There is no direct evidence that in the case of owners of small, traditional businesses, crafts in particular, higher education could have a direct influence on the quality of

services and products offered. We can assume, however, that higher education impacts on the development strategy of firms by allowing for a more forward-looking perspective, at the same time providing easier access to financial and organizational support.

The same problems affect female business owners. Most of them are elderly, with the majority being not well educated. In many of these cases, the business had earlier belonged to a male family member, or work was divided between more people. Currently, the elderly women state that they are left to themselves, helpless in the face of ongoing changes and new competition. This can partly explain the difficult economic situation of these businesses.

A different situation is observed in the case of somewhat larger businesses, falling into the category of small and medium-sized firms, where a considerable growth trend, or at least having satisfactory stability, allows for an optimistic view of the future. Owners of most SMEs usually consider an expansion of their business. It is notable that these are predominantly relatively young people – our sample in this business size category does not include anybody who is older than 50. Also, most of these respondents have a university education. These results should not be extrapolated to all entrepreneurs in this group within the study area due to their small number in the sample[50], though it may be generally assumed that it is more difficult to be successful in business without solid education.

In principle, the situation of ethnic businesses in Praga Północ does not diverge from those led by Poles. Micro firms are generally in a worse condition than larger firms, and the turnover in this group is a distinct phenomenon – businesses close down and other ones open in the same location. There are, however, two slight deviations from the rule. Firstly, the specificity of the sector and products offered – ethnic businesses usually function in the catering services sector or are trade-focused on food and other national and regional products – allows enterprises to attract a wider range of customers, not only the local clientele. This is a positive factor, and a negative one is that the social environment provides more problems for ethnic entrepreneurs than for Poles, especially to the 'old' residents (Korcelli-Olejniczak et al., 2015) who either feel comfortable in the area, are accepted by others, or have identified themselves with the local rules and specificity. Problems are faced predominantly by those entrepreneurs who are visibly different in complexion, hair or clothing.

The vast majority of firms in Praga Północ function in premises that are municipally owned. The often-poor conditions of these, as well as unattractive tenancy rules, are considerable obstacles for economic performance in the area. Parts of the firms are located in buildings that have landmark status, or are controlled by the Heritage Monuments Protection Office, meaning that any intervention in the physical fabric requires special permission. Additionally, tenancy agreements concerning municipal premises are signed for only three years. The uncertainty with respect to the agreement's prolongation constitutes a constraint in making any long-term business strategy.

Most forms of institutional support provided to entrepreneurs by the city and the district are viewed as inadequate, or simply insufficient. Most entrepreneurs prefer to be independent, or to rely on the support of their families and friends rather than to apply for public funds or other forms of assistance. The bureaucracy of the application system and the documents required are incommensurable with the actual support provided. This discourages some potential applicants and, hence, bares negatively upon the role of local authorities in the economic development of the district.

Apart from the research, which acknowledges the role of social diversity in urban places as a stimulus for economic development and economic performance, there are numerous studies, which point to the potential threats associated with a growing social diversification. In Praga Północ, the risk is mainly related to the weakening of social capital:

> "Some studies imply social and political costs to rising urban diversity. Putnam (2007) finds some evidence of reductions in bonding social capital in more diverse US urban neighbourhoods. A recent study of EU countries by Card and colleagues (2009) found that concerns about immigration focused on perceived threats to amenities and public goods. However, both Putnam and Card (2007) suggest that the long term benefits of cultural diversity outweigh any short term costs." (Nathan 2011).

While the works mentioned focus on the long-term effects of such a diversification, seeing them as positive, the evidence from Praga Północ both in terms of residents' (Korcelli-Olejniczak et al., 2015) and entrepreneurs' evaluations calls for more skepticism. It is difficult to say when Putnam and Card expect long-term benefits. In the case of Praga, perhaps this will be generated by a more intensified gentrification process combined with revitalization policy and business investments that will transform the area into one "*with looser networks and weaker ties*" (Florida 2002), and which is fully open to merging creativity and new ideas with existing assets. At the current stage, social diversity in the area is accompanied by social disintegration, while the persisting socio-economic problems of the residents and the 'unfriendly' tenancy policy are non-supportive factors of economic performance. The low level of social capital results in a weak cooperation between economic actors in the district. The only exception is artists who succeeded to form associations securing their position, which gives them an institutional support *vis-à-vis* external partners.

It may be that this form of collective action performed by representatives of the creative class in a diversified milieu is a signpost of change, guiding other professional groups and economic sectors and, consequently improving the future economic performance of businesses in Praga Północ. It is possible that we are facing a seed of deeper change here that will impact on the whole district in the future. This would be in line with what Peck (2005) claims about the establishment of businesses by representatives of the creative class, the trend that can lead to a considerable economic improvement of dysfunctional areas within cities.

The situation of entrepreneurs in the study area remains very diversified. An example of success stories are small and medium-sized firms, in the case of which growth derives from the specific marketing strategy based on attracting customers from beyond the immediate surroundings – expanding the market range. The negative conditions that affect micro firms may evolve in various directions. An important factor, which will surely have bearing on this situation, is the process of gentrification, with its impact on micro firms that focus predominately on the local clientele.

The transformation of the district's social tissue can also lead to the extension of the firms' provisions so as to gain new customers among Praga's inhabitants. This opportunity would, however, require adjustments in the scope and improvement of quality of services offered by the entrepreneurs. This might not ensure better prospects for the functioning of micro firms, as new residents would not necessarily be prepared to adjust their consumer preferences to local habits. Gentrification may also weaken the position of small enterprises that, along with the decreasing number of 'old' long-time residents, would lose their traditional customers.

*Policy recommendations*

In light of the interviews conducted, there are some ideas and expectations shared by local entrepreneurs concerning public policy measures that would support the operation of businesses in Praga Północ. Here, the proposals presented by our respondents are placed within a broader context. We claim that the most urgent actions to be undertaken should be the following:

- Introduction of more tractable rules concerning renovation and refurbishment of workshops and other commercial facilities that are, or planned to be located, in buildings under conservatory supervision. The lack of systemic arrangements in matters such as cost sharing and room for negotiations with the Conservatory Office are among the obstacles faced by firm owners;
- Taking measures with the aim to preserve the specific commercial *climate* of Praga Północ, one that is advantageous for the sustaining and development of some traditional crafts. In order to pursue this goal, it is necessary to control the scale and style of new, especially residential investment projects, so as to avoid the risk of rapidly rising land values and market rental prices;
- Improving inter-firm cooperative networks by offering support to joint marketing initiatives via preferential advertisement and rental prices, and providing patronage to guilds, trade associations etc. This could be of critical importance for the survival of many micro-firms, in particular the traditional handicraft workshops that offer unique, high-quality products, yet due to the lack of financial resources as well as knowledge limitations, are not in a position to maintain, or even less to extend, their market penetration range;
- Establishing a stable system of preferential rentals made available to micro-firms in traditional sectors. The latent cost, to be incurred by local authorities, could be compensated for by relatively higher administrative fees levied upon such sectors as the tourist and catering services (the latter solution was suggested by several respondents, has to be regarded as somewhat contestable);

- Dissemination of information on means of support to local business, as provided at various levels of public administration. The limited awareness concerning the availability of such provisions is related to low level of trust with respect to both state and financial institutions, represents an important factor which hampers the development of small entrepreneurship in Praga Północ.

As indicated above, these comments and proposals concerning support measures are mostly oriented at micro-firms. As follows from the research, and in the case of larger enterprises, there is more of a need for efficient, partnership-based cooperation with local authorities.

On the basis of the research conducted, we can formulate some general recommendations, which on the local level can be useful for entrepreneurs and support their economic performance. These recommendations concern two aspects. The first is related to the quality of local services focused on entrepreneurs, a comprehensive service by local authority agencies. According to our findings, an improvement of communication between public officials and the claimants would be very supportive at all stages of running a business. It would also be an important pull factor for new entrepreneurs. Effective services should imply an improvement of the officials' skills, including the knowledge of foreign languages. Such activities are foreseen within the actualization process of the Warsaw Development Strategy; hence, our recommendations are in line with the objectives of the local authorities. The second suggestion is that the activities should be supported by a transparent information campaign targeted at entrepreneurs, also of foreign origin and older age groups as well as those with a disability. Entrepreneurs often complain that there is not enough information on the part of authorities about cooperation possibilities or support measures.

Another important aspect that requires an improvement is local housing policy. Though lower than in Warsaw on average, rents are regarded as high and do not often comply with conditions offered. While limitations related to the duration of rent agreements with the city are a problem in general, this is particularly acute in Praga as the share of public premises is much higher than in other parts of Warsaw. The uncertainty concerning the stability of the firm's location is a considerable problem for most entrepreneurs, and due to the specificity of Praga, a severe obstacle to its economic development. A consideration could be to support new enterprises by offering tax reductions and relief, so as to give them more security with regard to the capital invested. Also, the *genius loci* of the district, including its folklore, should be acknowledged by the city authorities *via* regulations and initiatives focused on sectors including traditional crafts, ethnic catering services or artistic ateliers. This support might be expected to bear fruit, by making Praga more attractive for both entrepreneurs, new residents and tourists.

# **6** CONCLUSIONS: LIVING WITH URBAN DIVERSITY

Warsaw's diversity is reflected by variations in social, economic and family status, age, as well as differences in lifestyles, values and attitudes represented by the inhabitants. With its large and diversified labour market, the potential and variety of public services, especially institutions of higher education, the city constitutes a magnet for internal migration, attracting newcomers from all parts of Poland. Against the still marginal role of international migration, it can be anticipated that in the future the ethnic component of diversity will become more distinctly represented. At present there are no large ethnic enclaves within the city space, although socio-spatial segregation, one related mainly to age, social and professional status, is gradually increasing. Along with the growing number of foreign students, temporary inhabitants and those commuting to Warsaw from other regions of Poland, the city is from becoming more socially diverse on a day to day basis.

Before the WWII, Warsaw was an ethnically heterogeneous city with a large share of Jewish, as well as German and Russian people. After 1945, with the imposition of state socialism, the heterogeneity gave way to an ethnically homogeneous structure, with the city experiencing other forms of social diversification. Warsaw's development was at that time uneven, focused on the main part of the city, which was rebuilt from the ruins on the left bank of the Vistula River. The eastern part, where Praga – the study area is situated – was neglected and left underdeveloped. This part of Warsaw, with the exception of Saska Kępa (the traditional residential area of a middle social strata) was perceived as an inferior location, a nest of social problems. Poor living conditions associated with a concentration of low quality pre-war buildings were discouraging, and did not attract residents with a higher socio-economic status. The clustering of the population with a low level of education, as well as low-income groups in general, is still registered mainly in the eastern parts of the city, though also in some subareas of the city centre where the housing stock is partly neglected. There are however, signs of a trend reversal as evidenced by the ongoing gentrification phenomenon.

## **6.1** SUMMARY OF THE KEY FINDINGS

In 1989, Poland entered a process of major political, economic and social transformation. This has led to a growing social diversification, which has affected large cities such as Warsaw initially. This finds some reflection in urban policy. Although urban diversity is still not on the main agenda of the city authorities, some of its aspects are highlighted in policy documents and are focused upon in operational programmes. At the national level, first steps concerning

ethnic diversity policy were undertaken by adopting the *Polish Migration Policy – Current and Postulated Action,* as well as in works on *Polish Policy of Integration of Foreigners.* A significant role in transferring EU regulations in this field has been played by technical documents relating to the European Fund for the Integration of third-country nationals.

On the local level, neither diversity as such, nor its specific issues were originally addressed in the *Strategy of Development of Warsaw until 2020.* However, in the revision of the Strategy (Warszawa2030), urban diversity is included as part of the document's vision. Next to traditional areas of social policy (redistribution policy), which has for years dominated the political discourse, other aspects of diversity – those focusing on recognition and social integration of diverse social groups – are now becoming subject to discussion. The municipal offices dealing with culture and education especially are discovering diversity as a challenge and a possible field of their activities. With respect to migration such projects as the *Enhancement of Accuracy and Effectiveness of Actions for foreigners in Warsaw*, or the *Group of Coordination of Actions for Foreigners, National and Ethnic Minorities* have been introduced, which are aimed to integrate and coordinate actions focused on the foreign population in Warsaw. Also, the Multicultural Centre, a recent public institution backed-up by non-governmental organizations, is coordinating a programme focused on the reception and integration of refugees – this being related to the outcomes of the recent refugee crisis in Europe.

Public involvement in diversity issues is actively and comprehensively complemented by the work of highly experienced non-governmental organizations. Although the non-public sector is very much engaged in managing diversity issues, its activity is however limited owing to financial and institutional restrictions. The main obstacles to the effectiveness of such projects are usually attributed to their short time-span and primarily external sources of financing.

Praga Północ is a district that suffers from low social integration between the area's two diverging groups, the 'locals' and the 'newcomers', who differ in socio-economic and professional status, but mainly in terms of lifestyles and values represented. The phenomenon results in a generally low level of social cohesion and local solidarity in the area. While similarities concerning the cultural capital, beliefs and interests integrate members of each of the respective groups; the differences between the two constitute a barrier to the area's cohesive evolution, both in social and economic terms. The difficulties in establishing bridging networks and the limited focus on common goals are identified as the main obstacles to social cohesion, social mobility and economic performance in Praga Północ.

There are four general ways in which residents of Praga experience the process of diversification, associated mainly with the gentrification-related population inflow (Grabkowska 2012, Kovacs et al, 2013). This process leads to the formation of two groups of inhabitants: the local, long-time residents, and the newcomers including the gentrifiers. As claimed by Korcelli-Olejniczak and Piotrowski (2015), these basic attitudes correspond with the key dimensions of diversity in Warsaw, i.e. differences in terms of socio-economic status, level of education, lifestyles and

values. The approaches are not to be treated as fully mutually excluding separate categories, but rather as broader generalizations. In particular, some correspond to the way Elias and Scotson (1994) refer to the relations between 'The Established and the Outsiders'.

The first way of experiencing diversity is the 'fear of the different and unknown'. The attitude is mostly present among the 'locals' who have managed to build cultural bonds and a kind of common understanding with each other. They dislike and distrust diversity, since it can alter the world they are familiar with. The second kind of attitude towards diversity is mostly characteristic for those 'newcomers' who are categorized as gentrifiers. It is based on the interest and engagement in local issues, especially the improvement of space and life quality in the area. Local diversity is in this case perceived as a development potential. *The engaged* seek local identity and place attachment. The third type of attitude, typically expressed by female newcomers, is the sense of social alienation. Similarly, as Middleton et al. (2005) find in the case of Bournville, UK, *the alienated* feel uncomfortable in their new area of residence, are resistant to social integration and tend to stay isolated from their co-residents. The last kind of attitude, often referred to by other authors, concerns socio-spatial disaffiliation (Butler 2003, Watt 2009, Pinkster et al. 2014). It is represented by those among new residents who are here defined as *ex-territorials* – mainly young, well-educated and well-off persons. This approach towards the current place of residence is based on a general disinterest. People representing this attitude describe their presence in Praga as 'hopefully temporary' and perform most of their activities outside of it. They perceive Praga as stigmatized, by associating the area with poverty and social deprivation.

Although there is a large body of theoretical literature, as well as some empirical evidence, showing a positive correlation between social diversity and economic growth, Praga Północ seems to be an exception to this rule. Although it is the most diverse district of Warsaw in terms of its social composition, it does not attract many new entrepreneurs, while those who operate there tend to be discouraged and disappointed. This is especially true for the owners of micro-firms, which constitute 98 per cent of all businesses in the area, who feel uncomfortable about their future.

It is relatively beneficial in the situation of catering services, even though most entrepreneurs in this sector complain about their business conditions. Paradoxically, the worst circumstances concern traditional craftsmen who constitute one of the trademarks of Praga. The gradual disappearance of old-style workshops from the market occurs for two reasons. Firstly, such businesses are not able to maintain their position in the face of changing demand. Secondly, the number of young people willing to perform this kind of profession is constantly decreasing. As a result, some skills and competencies disappear from the market along with the aging group of artisans. Another category of entrepreneurs who feel especially discouraged by locally prevailing conditions is women. In many cases their firms had earlier belonged to the spouse or another family member, and the interviewees who have inherited it find problems with maintaining and operating it at a suitable level. Those in our sample are in fact relatively older and may

lack specific skills. Somewhat larger firms, such as those falling into the category of small and medium-size enterprises, are generally speaking in a better situation. Some of them experience a visible upward trend, some others maintain satisfactory stability. The SME owners, mostly those who are young and well educated, tend to be optimistic about the future and are considering expanding their business.

The situation of ethnic businesses does not considerably diverge from those conducted by Poles. There are, however, two noticeable differences. The first is positive and concerns the products offered. It seems that the focus on ethnic products, in most cases ethnic cuisine, is economically effective since the unique original supply attracts both locals, as well as people from other parts of Warsaw and tourists. There is also a negative phenomenon observed. It has been proven (Korcelli-Olejniczak et al, 2016) that the social environment of Praga generates more problems for ethnic entrepreneurs. A sort of hostility is expressed by some of the 'locals' who do not seem to accept 'aliens' in the area. This affects mainly those who 'visibly stand out from the crowd' due to their complexion, hair colour, clothing, etc.


**6.2**    URBAN DIVERSITY AS AN ASSET OR LIABILITY?

The role of social diversity in an urban environment can be perceived from various perspectives. First of all, we can consider diversity as a fact and evaluate its either positive or negative effects on the area researched. Secondly, the growth of diversity can be treated as an opportunity that supports the development of the area. Lastly, diversity can create challenges that need to be overcome in order to achieve harmonious living.

Warsaw is facing the trend of growing diversity caused by multiple factors, such as increasing spatial mobility and globalization of the economy. Additionally, there is also the unique, local component related to the history of transformation after 1989, which divided the society into two groups: 'winners' and 'losers' of the process of change. This dichotomy applied to societal categories such as age, occupation, income, as well as to the place of residence. Large cities, in particular multifunctional urban agglomerations, are clear winners of socio-economic diversification, but even within their borders a polarization is evolving. In the case of Warsaw, the generally unprivileged position of the eastern part of the city situated on the right bank of the Vistula River, was inherited from the historic past. Whereas at the national level policy responses to polarization phenomena include a wide spectrum of instruments, which are normally available and applied in market economies based on the welfare state philosophy, the city-level arrangements have only recently started to be focused on spatial equity. Programmes aiming at physical and social revitalization of the city's poorest areas, in particular Praga Północ, are to cope with the challenge of social inequality and negatively perceived diversity.

Insofar as the rhetoric of most city-level policies prohibits any kind of intolerance, the concepts and directives presented lack any clear message that relates to diversity as an asset. The analysis

of documents and interviews with policymakers shows a contradiction between declarations, or postulations, and actions that are actually taken. It is considered politically correct to praise diversity, but this is not necessarily followed in real actions. The general focus is on integration and inclusion of selected groups of residents and there is no direct reference to diversity as a development factor. An exception concerns Warsaw's Social Strategy, according to which the city can profit from the reception of in-migrants if the latter intend to enhance their education and enter the labour market. In this case migration to Warsaw is treated as a source of human capital, and it should be managed in order to become an asset.

A change in the lukewarm attitude towards social diversity is expected with the elaboration of the revised Development Strategy of Warsaw – Warszawa2030. The document introduces the general notion of diversity in its vision, understood as the city's heterogenic character both in terms of its social structure, and in relation to the natural and built environment. In the discussions that regard the identification of the city's main development objectives, the diversification of the society in general and, specifically of neighbourhood communities, is interpreted as a stimulus allowing for social and economic advancement.

With the ongoing gentrification process in Praga Północ, considered a major source of the area's diversification, a growth of local social engagement is observed and accompanied by the emergence of new ideas concerning the district's development objectives. These are believed to bring positive changes with respect to rehabilitation of the urban tissue, as well as social revitalization. Together with intensive place-based revitalization programmes carried out in the area, the gentrification process creates a framework for future actions that can be initiated by individuals or group actors. Diversity is also recognized as a stimulus for economic development and productivity growth in the area. In line with Nathan's (2011) suggestions that follow the idea of Putnam and Card, the long-term benefits of cultural diversity are expected to eventually outweigh its earlier negative effects regarding the loosening of local social bonds. An example is already to be seen when observing how the growing artistic community in Praga organizes itself institutionally in order to strengthen its position and opportunities.

The artistic bohemians of Praga are a very mixed community, with its members originating from different regions of Poland. It is possible that this form of collective activity of the creative class in a diverse environment of Praga Północ is a signpost of a major change that will provide guidance for other groups and sectors of the economy. When referring to the way the establishment of businesses by representatives of the creative class may help fight dysfunctionality of deprived neighbourhoods (Peck 2005), it can be assumed that a possibility persists for the process going on in Praga to bring significant improvements, including the strengthening of economic performance and enhancing social mobility.

An issue that constitutes a real challenge to the approach towards diversity is the refugee crisis in Europe. Nevertheless, while public opinion polls show a growing social reluctance towards the reception of refugees in Poland, it is difficult to refer to these when formulating concrete

generalizations concerning the acceptance of ethnic diversity. This is due to the fact that the opinions concerned tend to be vulnerable to one-time occurrences, or preliminary trends. The general conservative turn in Poland finds a rather minor reflection in the city-level policy, which sustains its moderately liberal approach to ideological issues. An expression of Warsaw's active participation in the refugee question is the elaboration of the programme dealing with the reception and integration of refugees, as coordinated by the Multicultural Centre.

## 6.3 SUGGESTIONS FOR POLICY: HOW TO APPLY THE RESULTS?

Recent years show a growing awareness and intensification of activities with regard to diversity-related issues. This is reflected by a growing number of city-level public initiatives, the broadening of the policy spectrum, and more attempts made at coordinating undertakings within different sectors. This potential could be used and strengthened by local government in the development of integrated and coherent urban diversity policy. The first steps in this direction were already taken along with revision of the current Development Strategy, which now includes recommendations of a wide range of social organizations and engages residents in the actual elaboration process. This, however, still calls for the development of a comprehensive, inter-sectoral diversity-related policy framework.

The initiatives introduced by the city are generally less innovative with respect to the operational tools applied when compared with the NGO based projects. The potential identified in those public projects, considered to be innovative, is mainly expressed in terms of organizational improvement (the Local Systems of Support arrangement). An appropriate use of the experience and expertise of non-governmental organizations is the *sine qua non* condition that needs to be fulfilled so that neighbourhood diversity may have a positive impact on social cohesion, mobility or economic performance. NGOs are highly competent in managing various aspects of social diversity at the city and neighbourhood level, and are usually equipped with a more thorough knowledge of the local community than public authorities are. They are also not subject to vacillations related to local level politics, which tends to make them a more stable and sustainable actor. The transfer of knowledge between city authorities and NGOs could support social cohesion and social mobility within the area.

Generally, the effectiveness of local initiatives, both those conducted by public and non-public actors, strongly depends upon the time scale and the comprehensiveness of the adopted approaches. An optimal situation would be to ensure a continuity of the successful programmes and the realization of long-term goals, irrespective of the initial organizational arrangements.

As observed in the case study area, the process of integration involving the 'local' and more recently arriving residents, is a serious challenge in general. This concerns the development of mutual trust, the common use of public space and public facilities, cooperation and social solidarity in everyday life. It is the integration-oriented policies of inter-sectoral scope, rather

than short-term events, that are likely to boost social cohesion within the area. Projects such as "Dni Pragi" (Days of Praga) or "Dni Ząbkowskiej" (Days of Ząbkowska Street) bring positive results, yet there is a lack of longitudinal policies that build social capital and foster local social cohesion.

In general, Praga does not offer favourable conditions for new entrepreneurs. Owners of micro-firms, which are the prevailing type of entrepreneurship in the area, complain both about the social milieu and the institutional regulations. A relatively positive situation is noted only in the case of the emerging sector of local small and medium-sized firms. Although more advantageous tax regulations could be applied in the case of new firms, this would not be beneficial for the local budget, however it might bring an improvement to the economic situation of the area in the long-term. An extension of the lease period pertaining to the municipal housing stock would particularly help to stabilize some of the local business.

Another important condition is sustaining a balance between a spontaneous gentrification process stimulated by the real estate market and publicly managed urban revitalization, which should be fulfilled by the city authorities. Commercial housing investments, exemplified by the Koneser and Praski Port developments, can exert a positive impact on the neighbourhood. While introducing more social diversity in the area, they bring impulses for economic growth. Therefore, city authorities should create opportunities for more new investments to take place in Praga Północ. Any preferences, however, should be conditioned upon the commitment of potential investors to create freely accessible and open space, as well as other facilities to support the encounter and integration of various social groups. This would foster the activities of local communities, working for the benefit of the area. The new investment projects in Praga, as in other parts of the city, should be designed so as to preserve the area's cultural heritage. Taking into account Praga's location assets, the modernization of its built environment, together with the ensuing change in social population composition, have to be considered as an unavoidable mark of its future development.

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# APPENDICES

**APPENDIX 1:** CHAPTER 3

List of non-governmental organizations:
R1    Society of Polish Town Planners (Towarzystwo Urbanistów Polskich);
R2    Foundation for Socio-Economic Initiatives (Fundacja Inicjatyw Społeczno-Ekonomicznych);
R3    Warsaw Development Forum (Forum Rozwoju Warszawy);
R4    Foundation 'Selfcreation' (Fundacja Autokreacja);
R5    Forum for Responsible Business (Forum Odpowiedzialnego Biznesu).

List of interviewees representing the Warsaw authorities:
R6    Department of Housing Policy, City of Warsaw (Biuro Polityki Lokalowej);
R7    Office of European Funds, City of Warsaw (Biuro Funduszy Europejskich, Urząd M.st. Warszawy);
R8    Office of Education, City of Warsaw (Biuro Edukacji, Urząd M.st. Warszawy);
R9    Office of Culture, City of Warsaw (Biuro Kultury, Urząd M.st. Warszawy);
R10  Office of Culture, Department of International Cooperation, City of Warsaw (Biuro Kultury, Urząd M.st. Warszawy, Wydział Współpracy Międzynarodowej).

**APPENDIX 2:** CHAPTER 4

As mentioned in chapter 4, a dual procedure was applied in the selection of interviewees. Complying to this idea, two basic categories are identified. One are the 'locals' or 'old' residents, i.e. those people who were born in the area, have lived in the district for at least 20 years, or are offspring of pre-war and early post-wartime inhabitants. The other category involves 'newcomers', recent in-migrants from other parts of Warsaw and other regions of Poland, and immigrants from other countries. At the same time we tried to sustain a balance between the basic socio-economic and demographic categories. We failed, however, to achieve a reasonable gender balance in our sample, having 16 male and 34 female interviewees. The age of the interviewees ranges from 22 to 83 years. We spoke to three residents aged 18-30, twenty five aged 31-45, thirteen residents aged 46-60, six aged 61-75 and two persons who were 75 years and above. Most of the respondents (45) were born in Poland, two in Chechnya, one in France, Ukraine and the US respectively.

In terms of the level of education, four of the interviewees had vocational, eleven secondary, and 35 tertiary education. The monthly household income fell into four categories. Among the respondents four answered that their household income was lower than 250 € (1,000 PLN), nine declared it to range between 250€ – 750€ (1,000 PLN – 3000 PLN), eleven said it was between 750€ – 1,250€ (3,000 PLN – 5,000 PLN), eighteen households had incomes exceeding 1,250€ (5,000 PLN). Seven interviewees refused to answer this question. In terms of household tenure, 25 people lived in owner-occupied households, eight were renting flats from the municipality, and three were renting dwellings on the private market.

List of the persons interviewed:

| Inter-viewee | Age group | Gender | Position in household | Income group | Ethnic group (or region/origin) |
|---|---|---|---|---|---|
| 1 | 31-45 | M | Living with wife and three children | >1,250 euro | FR |
| 2 | 18-30 | F | Living with partner, no children | >1,250 euro | PL |
| 3 | 18-30 | F | Living with partner, no children | >1,250 euro | PL |
| 4 | 31-45 | M | Single | 250-750 euro | PL |
| 5 | 31-45 | F | Living with husband and 2 children | | PL |
| 6 | 31-45 | F | Living with husband and two children | >1,250 euro | PL |
| 7 | 18-30 | F | Single | > 250 euro | PL |
| 8 | 46-60 | F | Widow | 750-1,250 euro | PL |
| 9 | 31-45 | F | Living with husband and child | >1,250 euro | PL |
| 10 | 61-75 | F | Living with husband | 750-1,250 euro | PL |
| 11 | 46-60 | M | Living with wife and two children | 750-1,250 euro | PL |
| 12 | 31-45 | M | Living with wife and children | >1,250 euro | PL |
| 13 | 31-45 | F | | >1,250 euro | PL |

| Inter-viewee | Age group | Gender | Position in household | Income group | Ethnic group (or region/origin) |
|---|---|---|---|---|---|
| 14 | 31-45 | M | Living with wife | | PL |
| 15 | 31-45 | F | Single | > 250 EUR | PL |
| 16 | 46-60 | F | Living with husband | 750-1,250 euro | PL |
| 17 | 61-75 | M | | >1,250 euro | PL |
| 18 | 31-45 | M | Living with wife and two children | >1,250 euro | PL |
| 19 | 31-45 | F | Living with partner | >1,250 euro | PL |
| 20 | 31-45 | F | Living with partner | 750-1,250 euro | PL |
| 21 | 31-45 | M | Single | >1,250 euro | PL |
| 22 | 46-60 | F | Single | > 250 euro | PL |
| 23 | 61-75 | F | Living with husband and two children | 750-1,250 euro | PL |
| 24 | 31-45 | F | Living with partner | 750-1,250 euro | PL |
| 25 | 46-60 | M | Living with wife | 750-1,250 euro | PL |
| 26 | 46-60 | F | Single | | PL |
| 27 | 46-60 | M | Living with wife and six children | | PL |
| 28 | 31-45 | M | Living with partner | >1,250 euro | PL |
| 29 | 61-75 | M | Living with wife and six children | 750-1,250 euro | PL |
| 30 | 61-75 | F | Mother in a single-parent household with one child | | PL |
| 31 | >75 | F | Single | | PL |
| 32 | 31-45 | F | Living with husband and two children | >1,250 euro | PL |
| 33 | 31-45 | F | Living with husband and one child | | PL |
| 34 | 31-45 | M | Living with husband and two children | 750-1,250 euro | PL |
| 35 | 31-45 | F | Mother in a single-parent household with one child | > 250 euro | Chechnya |
| 36 | 46-60 | F | Single | >1,250 euro | PL |
| 37 | >75 | M | Single | 250-750 euro | PL |
| 38 | 31-45 | F | Living with husband and four children | 250-750 euro | Czechnya |
| 39 | 31-45 | F | Mother in a single-parent household with four children | 250-750 euro | PL |
| 40 | 46-60 | F | Living with husband and two children | 250-750 euro | PL |
| 41 | | M | Living with wife | >1,250 euro | PL |
| 42 | 46-60 | F | Living with husband and two children | >1,250 euro | PL |
| 43 | 46-60 | F | Living with husband | 250-750 euro | PL |
| 44 | 46-60 | M | One-person household | 250-750 euro | USA |
| 45 | 61-75 | F | Living with husband | 250-750 euro | PL |
| 46 | 31-45 | F | Mother in a single-parent household with one child | | PL |
| 47 | 31-45 | F | Living with partner | >1,250 euro | PL |
| 48 | 31-45 | F | Living with husband and one child | 750-1,250 euro | UA |
| 49 | 31-45 | F | Living with partner and one child | >1,250 euro | PL |
| 50 | 46-60 | F | Living with partner | 250-750 euro | PL |

## APPENDIX 3: CHAPTER 5

List of the entrepreneurs interviewed:

| | Sex | Age | Age of enterprise | No. of employees | Sector | Specification | Qualifications required |
|---|---|---|---|---|---|---|---|
| **R1** | M | 50 | 26 | 4 | Trade | Self-Employment | Low |
| **R2** | M | 30 | 0 | 2 | Trade, Services | Self-Employment | Low |
| **R3** | M | 28 | 4 | 4 | Catering services | Self-Employment, Female, Ethnic | Low |
| **R4** | M | 39 | 5 | 1 | Catering services | Self-Employment | Low |
| **R5** | F | 63 | 17 | 2 | Trade | Self-Employment, Female | Low |
| **R6** | M | 34 | 25 | 30 | Trade, Services | | Low |
| **R7** | F | 60 | 15 | 1 | Trade | Self-Employment, Female | Low |
| **R8** | M | 28 | 5 | 7 | Catering services | Ethnic | Low |
| **R9** | M | 35 | 4 | 3 | Catering services | Self-Employment, Ethnic | Low |
| **R10** | F | 70 | 58 | 1 | Crafts | Self-Employment, Female | Low |
| **R11** | F | 60 | 30 | 2 | Services, Crafts | Self-Employment, Female | Low |
| **R12** | M | 44 | 6 | 2 | Trade | | Low |
| **R13** | M | 44 | 32 | 2 | Trade, Services | | High |
| **R14** | M | 58 | 1 | 1 | Trade | | Low |
| **R15** | M+F | 41+38 | 1 | 5 | Catering services | Female | Low |
| **R16** | F | 42 | 9 | 20 | Catering services | | Low |
| **R17** | F | 55 | 10 | 1 | Trade, Services | Self-Employment, Creative, Female | High |
| **R18** | M | 49 | 0 | 1 | Services | | Low |
| **R19** | M | 52 | 20 | 1 | Services, Crafts | | Low |
| **R20** | M | 42 | 13 | 3 | Services | | High |
| **R21** | M | 35 | 4 | 6 | Services | | High |
| **R22** | F | 60 | 23 | 2 | Services | Self-Employment, Female | High |
| **R23** | F | 58 | 8 | 1 | Trade | | Low |
| **R24** | F | 27 | 1 | 1 | Production, Trade | Self-Employment, Ethnic | Low |
| **R25** | M | 62 | 8 | 62 | Production, Trade | | Low |
| **R26** | F | 62 | 30 | 4 | Services | Female | Low |
| **R27** | M | 23 | 2 | 20 | Catering services | | Low |
| **R28** | F | 27 | 7 | 5 | Trade | | Low |
| **R29** | M | 27 | 2 | 1 | Trade | Self-Employment | Low |
| **R30** | F | 50 | 8 | 35 | Services | | High |
| **R31** | F | 47 | 23 | 1 | Catering services | Self-Employment, Female | Low |
| **R32** | F | 65 | 8 | 2 | Services | Self-Employment, Female | High |
| **R33** | F | 40 | 7 | 3 | Trade | | Low |

| | Sex | Age | Age of enterprise | No. of employees | Sector | Specification | Qualifications required |
|---|---|---|---|---|---|---|---|
| **R34** | M | 63 | 41 | 1 | Crafts | Self-Employment | Low |
| **R35** | F | 32 | 5 | 6 | Catering services | | Low |
| **R36** | F | 26 | 0 | 4 | Catering services | Self-Employment, Female | Low |
| **R37** | M | 50 | 20 | 1 | Production | Self-Employment, Creative | High |
| **R38** | M | 46 | 18 | 240 | Services | | High |
| **R39** | M | 43 | 1 | 5 | Trade | Self-Employment | Low |
| **R40** | F | 62 | 12 | 1 | Services | Self-Employment, Female | Low |

# NOTES

1   This chapter is for a large part based on Taşan-Kok, T., van Kempen, R., Raco, M. and Bolt, G. (2014), *Towards Hyper-Diversified European Cities: A Critical Literature Review*. Utrecht: Utrecht University.

2   Later in this chapter we elaborate on these concepts. Here only some general definitions are given.

3   Powierzchnia i Ludność w przekroju terytorialnym w 2015, Główny Urząd Statystyczny (Area and Population in the Territorial Profile, Central Statistical Office, 2015)

4   In terms of the population size of the integrated urbanized area, however, Warsaw is challenged by the Upper-Silesian Conurburbation with its ca. 2 million inhabitants

5   Voivodship is the highest-level administrative subdivision of Poland, corresponding to a "province" in many other countries.

6   In the late 1950s the German ethnic minority was re-identified, owing to new legal regulations.

7   Statystyka Warszawy, Urząd Statystyczny w Warszawie 2015

8   Out of the total number of foreigners who received a work permit in Poland in 2011 (40,808), the region of Warsaw (the Mazowieckie voivodship) accounted for more than 55% (Central Statistical Office, 2012, p. 174). With respect to some immigrant groups the share is much higher – 85% in the case of Vietnamese for example (Rządowa Rada Ludnościowa, 2012, p. 186). Warsaw also attracts a disproportionate share of migrants coming to Poland from EU countries. The same applies to the category of foreign students.

9   The largest groups consisting of: German, American and Ukrainian citizens.

10  According to these forecasts Poland faces a decline in its total population from 38.5 million to 36.0 million through to the year 2035, which will be accompanied by a rapidly aging population.

11  In line with this issue, the city introduces measures to encourage those who work in Warsaw to pay income taxes according to their place of work. A controversial and heavily contested issue is the so-called 'Warsaw resident card' that the city is introducing. According to this regulation residents of Warsaw (those who have domicile registration and pay income tax in Warsaw) pay less for public transportation than non-residents and those who commute to work. According to many opinions, this rule may produce a divide between "*good residents*" (those who register and pay income tax in Warsaw) and "*bad residents*" (Gazeta Stołeczna, 2013).

12  In statements of declarative character, Warsaw is presented as an open, accessible and hospitable city.

13  The precise allocation of city funds related to different dimensions of diversity to different offices for the purpose of realisation of tasks is difficult to estimate, as the structure of expenditure is presented in accordance with the classification referring to the statutory obligations of the municipality. Nevertheless, it is possible to formulate general estimations, on the basis of costs allocated to respective offices and programmes.

14  This refers to at least two waves of in-migration to Warsaw from other regions of Poland with peaks in the late 1940s and in the 1970s respectively.

15  In 2012 Warsaw higher education institutions hosted approx. 6,500 foreign students, among whom Ukrainians, Belarusians and Norwegians accounted for major shares. Altogether there is a 2.3% share of foreign students within the total student population in Warsaw.

16 In 2007 social dwellings constituted approximately 2.5% of all municipal dwellings in Warsaw, in 2011 the share increased to 4.8%.

17 This was not necessarily the case until recently. For example, the urban revitalisation projects of 2013 concerning the districts of Praga Północ and Praga Południe consumed only 70,000 euro which accounted for less than 0.002% of the total city budget.

18 While radical pro-life circles attempt to use this change to pursue a more restrictive abortion law, most regulations introduced by the national government seem to solidify 'traditional' societal rules.

19 An international initiative supported by the European Union that promotes diversity and counteracts workplace discrimination. The initiator of introducing the charter to Poland was the Warsaw-based Forum of Responsible Business, one of the interviewed organisations. The firms that decided to implement this tool contribute to cohesion and social equity.

20 The first signal for the adoption of this policy is the 'Multigenerational Housing Block', a project launched by the Foundation 'Blisko' within the area covered by the Integrated Revitalisation Programme

21 The term 'glass jars' refers to food supplies that this group bring in from their home towns, which reflects their temporality with respect to maintaining their household.

22 It should be noted at this point that despite the cautious skepticism towards refugees and economic immigrants expressed by the current (2016) national government, the city-level policy remains open and inclusive towards aliens. Moreover, there has been considerable progress with respect to the perception of immigrants. Foreigners are more active in executing their rights; at the same time, they are more aware of the expectations of the labour market. The attitude that the right to work and to stay are independent of each other is becoming a less so.

23 Both the persistence of social problems, Praga's large development potential, as well as new investments within the public transportation system (a second underground railway line connecting Praga with the city centre and districts in the west of Warsaw under construction, which is perceived as a potential for future investors, as well as residents and entrepreneurs) are being actively approached, which is reflected in urban policy programmes (e.g. Integrated Urban Renewal Programme), governance arrangements engaging different actors (e.g. The Systems of Local Support framework) and numerous non-profit and grassroots initiatives.

24 Law on the guarantee of freedom of conscience and religious belief (17 May 1989); Law on ethnic minorities and regional language; Law on social assistance (12 May 2004).

25 In contrast to the districts situated on the left bank of the Vistula River, the pre-war architectural and partly social structure of Praga Północ survived the damages of World War II. Due to the fact that its characteristics did not correspond to the idea of a 'socialist society', large parts of the district were neglected by the authorities and underwent a gradual physical degradation and social deprivation.

26 A concentration of historical buildings, presence of old-fashion services and a socially diverse environment are responsible for a rising interest in the area, usually among young to middle-aged representatives of the middle class.

27 The average price of 1 sq. metre of flat on the primary market in Praga Północ amounts to approx. EUR 1760 (2013).

28 A centrally located, quickly developing district on the left bank of the Vistula River, which is undergoing a transformation of its leading functions from industrial to business.

29 Another relatively centrally located area of Warsaw with a dominance of multifamily housing blocks from the 1950s and 1960s and new apartment houses.

30  A residential district in central Warsaw with many pre-war single-family houses. Due to its traditional and new housing developments it is considered as quite prestigious.

31  Śliwice is a small colony of houses developed in the period of 1937-1939 and has a population of 300 inhabitants.

32  An important landmark of Praga Północ, the Różycki bazaar was founded in the late 19th century and played a role as Praga's main trade centre through to WWII. In the 1950s the bazaar was nationalised, but private merchandising continued. In the early 1990s the place was booming and attracting mainly salesmen from the ex-Soviet Union. Unfortunately, as part of the so-called 'Bermuda Triangle' with Warszawa Wschodnia train station and the former bazaar at the National Stadium, it has become the centre of crime.

33  There are also some very positive reflections upon the pre-war Praga, which was diverse, multilingual and multicultural, with a large Jewish minority.

34  A neighbourhood of Praga Północ with a high share of Jewish peopel before WW II, was held in disrepute after the war due to its social deprivation and deterioration of its housing stock.

35  The largest residential district in Warsaw. The population is composed, to a large extent, of in-migrants from other regions of Poland especially in its southern part, Kabaty.

36  That is, almost 1.5 million euro.

37  One of Poland's top daily journals.

38  Among all districts in Warsaw, Praga Północ is characterized by the largest number of dysfunctional families and the lowest life expectancy (Ranking of warsaw district …2013).

39  The Integrated Revitalisation Programme 2014-2020 continues the realization of the mission set by the Local Revitalisation Programme which aimed at restoring urban functions and creating conditions that support their further development. The main goals of the ZPR are a socio-economic revitalization via improvement of the quality of public space and the safety of residents, the support of culture and the touristic function of the area, the improvement of accessibility within and between neighbourhoods, as well as social integration and counteracting social exclusion. The process is meant to engage citizens, associations, housing cooperatives and entrepreneurs.

40  Within the Integrated Revitalization Programme there is a strong focus on making Praga "the district of craftsmen".

41  A traditional pre-war residential district of Warsaw with a predominance of white collar workers and well educated people

42  As there was no direct question concerning the place of residence of the respondents, we could not precisely estimate their share. As this topic often came up in interviews, we assume that not so many live within the research area. More than half of the respondents declare that they have to travel a few kilometers to work.

43  Wife of the legendary 'Solidarity' activist Jacek Kuroń.

44  A project implemented on the site of the former Warsaw Vodka Distillery by BBI Development SA and Liebrecht & wooD to be completed by 2017. The project combines many functions and is focused on the development of residential, commercial, business and cultural space. Recently the Google Campus for creative start-ups has opened its centre there.

45  Traditional Balkan bread pie with different fillings.

46  A health inspection organization.

47  Tarchomin and Bródno are neighbourhoods situated on the right bank of the Vistula River, in the districts of Białołęka and Targówek respectively

48  Craftsmanship Chamber, Guild of Glassmakers

49  Polish Hunting Association

50  Small and medium-sized enterprises are not dominant in our case study area, therefore they do not constitute a large group in our sample.

**Governing Urban Diversity:**
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This book is one of the outcomes of the DIVERCITIES project. It

focuses on the question of how to create social cohesion, social

mobility and economic performance in today's hyper-diversified cities.

The project's central hypothesis is that urban diversity is an asset;

it can inspire creativity, innovation and make cities more liveable.

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