

**Przegląd Europejski, ISSN: 1641-2478**

**vol. 2023, no. 3**

Copyright © by Adam Oleksiuk, 2023

Creative Commons: Uznanie Autorstwa 3.0 Polska (CC BY 3.0 PL)

<http://creativecommons.org/licenses/by/3.0/pl/>

DOI: <https://doi.org/10.31338/1641-2478pe.3.23.1>

# **Socio-economic strategies on the example of selected EU countries – cognitive theory and application approach**

**Adam Oleksiuk**, *SGH Warsaw School of Economics (Warsaw, Poland)*

E-mail: [aoleksi2@sgh.waw.pl](mailto:aoleksi2@sgh.waw.pl)

<https://www.orcid.org/0000-0003-1796-8125>

## **Abstract**

The article's aim is to explain the essence and specificity of the creation of socio-economic strategies on the example of key documents of development character in selected EU countries. The author discusses the definitional issues related to socio-economic strategies, the motives for their creation, the institutions preparing them, typologies of strategies and methods of their development, as well as the overarching goals formulated in these documents. A separate part of the research is devoted to selected issues that are presented in key strategic documents of the European countries. In the article, examples of solutions implemented in the leading socio-economic strategies of the selected EU countries such as Lithuania, Latvia, Estonia, the Czech Republic, Poland, and Croatia are woven into theoretical considerations. Primary sources in the form of strategic documents and available scientific literature were used for the analysis. The article allows, on the one hand, to better prepare for the initiation of the entire process of drawing up socio-economic strategies and, on the other hand, to familiarise readers with the development directions of individual European countries.

**Keywords:** socio-economic strategies, European Union, development, EU countries

## **Strategie społeczno-gospodarcze na przykładzie wybranych państw UE – ujęcie teoriopoznawcze i aplikacyjne**

### **Streszczenie**

Celem artykułu jest wyjaśnienie istoty i specyfiki tworzenia strategii społeczno-gospodarczych na przykładzie kluczowych dokumentów o charakterze rozwojowym w wybranych państwach UE. W artykule omówiono kwestie definicyjne związane ze strategiami społeczno-gospodarczymi,

motywy ich powstawania, instytucje je przygotowujące, typologie strategii i metody ich opracowywania, a także cele nadrzędne, sformułowane w tych dokumentach. Osobna część badania poświęcona została wybranym zagadnieniom, które są prezentowane w kluczowych dokumentach strategicznych analizowanych państw europejskich. W artykule w rozważania o charakterze teoretycznym wpleciono przykłady rozwiązań zaimplementowanych w wiodących strategiach społeczno-gospodarczych wybranych państw UE, takich jak Litwa, Łotwa, Estonia, Republika Czeska, Polska i Chorwacja. Do analizy wykorzystano źródła pierwotne w postaci dokumentów strategicznych, a także dostępną literaturę naukową. Zawarte w artykule treści pozwalają z jednej strony lepiej przygotować się poszczególnym krajom do zainicjowania tego procesu sporządzania strategii społeczno-gospodarczych, z drugiej zaś – artykuł pomaga czytelnikom zaznajomić się z kierunkami rozwoju poszczególnych państw Europy Środkowej i Wschodniej.

**Słowa kluczowe:** strategie społeczno-gospodarcze, Unia Europejska, rozwój, państwa UE

The socio-economic transformation in Central and Eastern European countries has resulted in a shift away from traditional economic planning and the use of the term *economic plan*. Programme activities are a permanent function of the state, so the notion *plan* began to be replaced by *programme*, and especially the use of the term *strategy* became common. Still, some documents of a strategic nature are called plans as in the case of the *National Development Plan of Latvia for 2021–2027* (Cross-Sectoral Coordination Center 2020).

Although the process of creating various documents of a strategic nature is visible in practice, the issue of terminology related to the use of the terms *plan*, *programme* and *strategy* has not yet been sorted out. These terms are often used interchangeably in quite different contexts to refer to several types of documents and processes. In particular, the term *strategy* is used often and in different contexts. The socio-economic strategies of different countries are complex and cover many areas.

The author analyses in this article some key socio-economic strategies of the Central and Eastern European countries. The cognitive theory approach addresses the effectiveness of information, education and communication activities, which can influence the effectiveness of socio-economic strategies, especially in the context of building public support or implementing economic policies (Ross 2005). This article's aim is to explain the essence and specificity of the creation of socio-economic strategies using the example of key development documents of selected European countries.

## Literature review in the context of socio-economic strategies

In the literature on socio-economic strategies, it is assumed that the essence of the strategy is the selection of domains and courses of action, considered to be the most important in terms of stimulating the process of socio-economic development and achieving the objectives of the strategy (Freedman 2013; Besanko et al. 2015; Hirschman 1958). These selected domains and activities are treated as priorities, the "winning" of which

– like winning battles as a means of achieving the goals of war – allows the strategy's stated aim to be realised (Dimitriu 2020; Kornberger 2013; Handel 1986). It is emphasised that a country's socio-economic strategy is the planning of activities at the state level to achieve specific socio-economic goals in a country (Szirmai 2015; Besanko et al. 2015). It is also a defined set of actions that aim to ensure the sustainable development of a country, considering social, economic, and environmental aspects. The authors point out that a country's socioeconomic strategy is a comprehensive approach to economic management that encompasses both economic and social policies to ensure a balance between economic development and social progress (Freedman 2013; Acemoglu, Robinson 2013; Palan et al. 2005; Hirschman 1958). A country's socio-economic strategy is a document that sets out the aims, priorities, and instruments of public policy to help achieve specific social and economic goals (Freedman 2013; Ocampo et al. 2009; Jaffee 1998). For this study, it is considered that a country's socio-economic strategy is a long-term or medium-term plan that names aim and priorities for social and economic development, as well as the tools to help achieve them.

The element that distinguishes a long-term and medium-term socio-economic development strategy from other programming documents of strategic nature is the time horizon (Karpiński 2014; Besanko et al. 2015). Although the definitions of strategies cited above do not imply their specific time horizon (apart from the fact that it is supposed to be long or medium), in the case of the country's socio-economic development strategies, due to the type of issues they address, these studies should cover a relatively long framework (understood in economics as no less than 10 years and in principle no more than 20 years). Such horizon is required by the nature of the strategy's tasks, e.g. addressing development challenges, changes in the demographic structure, increasing the quality of human capital, modernising infrastructure, or structural change as a means of dynamising economic development (Karpiński 2014; Wilson 2006; Beugelsdijk, van Schaik 2005; Barro 1991, 1997; Benhabib, Spiegel 1994).

The main benefits of developing this type of document are:

- a) the strategy presents the most important challenges and problems that need to be addressed, thus enabling action to be taken in advance to prepare the country and society for the needs that the future will bring,
- b) allows resources to be concentrated on the most important projects,
- c) supplies a directional overall vision and more detailed sectional snapshots to help organise activities in specific areas of life in such way that they are mutually compatible and correspond to the goals set out in the strategy,
- d) avoids contradictions between short-term decisions and long-term needs,
- e) makes it possible to coordinate the activities of the various actors around goals considered to be of overriding importance,
- f) shows which actions should not be taken in order not to create obstacles to solving problems that will arise in the future.

At the same time, the strategy informs economic actors about the future conditions of the economy, helping to stabilise them in the long term.

## Motivations for creating strategies and institutions developing strategies

When analysing the motives for the creation of development strategies, the following categories can be distinguished: firstly, those resulting from the national planning system in the country; secondly, those resulting from the parliamentary cycle; and thirdly, those resulting from the responsibilities of ministries and political changes.

Extensive national planning systems exist in many European countries that have transformed their economies such as Lithuania, Latvia, Estonia, the Czech Republic, and Poland. In this group of countries, strategies were developed within the timeline of the national planning cycle. Each successive strategy or plan covered a further period beginning with the expiry of the earlier one.

The basic and superior documents presenting the assumptions and directions of the country's development are, as already mentioned, long-term strategies with a time horizon of twenty or even 30 years. Documents of this type have general formulations of strategic goals and set out priority directions for action, while the implementation sphere of these guidelines is contained in supplementary long-term documents with a time horizon of 10 years or less. In Poland, an example of this type of document was the *National Development Strategy 2007–2015* (Ministry of Regional Development 2006). The main aim of the Polish *National Development Strategy 2007–2015* was to raise the level and quality of life of the Polish population: individual citizens and families. By raising the standard of living, the authors of the document understand, inter alia, an increase in income in the household sector, facilitating access to education and training, increasing the level of education of the population, raising the qualifications of citizens, increasing employment and labor productivity, improving the health of the Polish population (Ministry of Regional Development 2006). Another example of a document with a medium-term time horizon is the *National Development Plan of Latvia for 2021–2027* (Cross-Sectoral Coordination Center 2020), which is focused on developing a knowledge and innovation-based economy, improving the living conditions of citizens, and increasing the country's competitiveness. *National Development Plan of Latvia for 2021–2027* is the country's highest medium-term planning document at the national level (Cross-Sectoral Coordination Center 2020). It was developed in line with the *Latvian Sustainable Development Strategy until 2030* (Saeima of the Republic of Latvia 2010) to improve the quality of life of each Latvian citizen within seven years (Cross-Sectoral Coordination Center 2020: p. 5).

In many countries, the presentation of a long-term plan is the responsibility of every new government. The origins of this rule may lie, for example, in an economic crisis or other crises, such as the Covid-19 pandemic. To minimise the risk of future crises, society has come to appreciate the importance of thinking in long-term terms for socio-economic development. The creation of such documents is also a result of the responsibilities of the ministries responsible for economic planning in a country.

Political changes, above all the attainment of national independence and the need to define the framework of its system, is an important moment, prompting the country to

think about the future. It becomes the impetus for creating a vision of society and defining a development strategy. This group includes all analysed documents from selected countries of research.

Based on the information contained in the strategies found on the official government websites of the individual CEE countries, the institutions responsible for developing strategies can be divided into the following three groups: government, ministry, and other institutions responsible for long-term planning issues in the country (Office of the Government of the Czech Republic 2017; Ministry of Development 2017; Republic of Estonia Government 2020; Ministry of Regional Development and European Union Funds 2021; State Progress Council 2012; Cross-Sectoral Coordination Center 2020).

In all analysed strategies it is said that the institutions responsible for the elaboration of a given development strategy do not prepare it themselves, but only coordinate the work on a given strategy. In the definitive version of the document, however, the coordinating institution often appears as the author of the strategy.

Other institutions permanently or temporarily cooperating with the lead institution are usually also involved in the development of a country's strategy. These are usually other governmental units and scientific or academic centres, or diverse types of expert groups. Another way is to set up a special working group to develop the strategy under the leadership of the lead institution. An example of this type of action is the medium-term economic strategy for Latvia (Cross-Sectoral Coordination Center 2020).

Often the government is the strategy developer. This approach of entrusting the responsibility for strategy development to the government of the country is found in Poland or the Czech Republic. On several occasions, the coordination of the work on strategy development has been handled by the Prime Minister's Office (see: Office of the Government of the Czech Republic 2017). In such a system, where the government plays a dominant role in the elaboration of overall development strategies, other institutions and units work on long-term planning and programming.

It is rare to meet a situation where a single ministry of a country develops a long-term socio-economic development strategy for that country. In general, in the EU countries discussed here, strategic planning is a young field – the first government documents of this kind were only produced at the turn of the 20th and 21st centuries.

The analysed material demonstrates that a certain type of coordination of work on long-term socioeconomic development strategies, in which the role of coordinator and the institution responsible for developing such strategy is played by governmental institution other than the ministry, is a characteristic approach for the countries analysed in the study.

## **Typology of strategies and methods of their development**

Strategies can be divided into 3 types from the point of view of their thematic scope:

- a) comprehensive strategies (covering the entire range of socio-economic and environmental issues),

- b) sustainable development strategies (similar in shape and content to comprehensive strategies, but with a predominance of environmental issues),
- c) selective strategies (focusing only on selected areas of socio-economic life).

Comprehensive strategies are characteristic for CEE countries (e.g. Czech Republic, Poland, Lithuania, Latvia, Estonia, Croatia). The choice of this approach to development issues in these countries is determined by the fact that these countries are trying to catch up with more developed countries and are looking for the best shape of their system, while at the same time facing more problems to solve.

The fact that these countries are lagging behind developed countries – and they need for a comprehensive approach to development issues – is emphasised by the authors of the strategies. For example, in preface to the Latvian strategy is written about the need to implement such comprehensive economic policy that would enable Latvia to reach the level of development of EU countries in the next 20–30 years (Cross-Sectoral Coordination Center 2020). A similar reference to the necessity of holistic measures to reach the level of development of highly developed countries can be found in each of the strategies, e.g., in Polish strategies (Ministry of Development 2017; Ministry of Regional Development 2006).

The consideration of the need of the comprehensive approach to development issues is reflected in the content of the documents. Indeed, these strategies address both holistic economic, social, or environmental issues, as well as individual development issues. Examples of such approach are the strategies of Poland, Croatia, and Latvia (Ministry of Development 2017; Ministry of Regional Development and European Union Funds 2021; Cross-Sectoral Coordination Center 2020). A similar approach to development issues and the way they are discussed in the strategies are found in the other documents qualified as comprehensive.

Comprehensive strategies have a target vision of the socio-economic system. Strategies of the countries such as Latvia and Croatia also include target visions of the country's socio-economic system (Cross-Sectoral Coordination Center 2020; Ministry of Regional Development and European Union Funds 2021).

In some countries, these types of strategies exist alongside the country's long-term socio-economic development strategies. These strategies can be a composite study, which aim is to present and complement proposals and solutions from other sectoral strategies of a country. However, the features that distinguish sustainable development strategies from comprehensive strategies are:

- a) *promoting the principles of sustainable development*: as these strategies were developed in response to the commitments made by these countries at the Rio Summit, the principles and model of sustainable development are highlighted. The first part of such documents is usually devoted to presenting the idea of sustainable development, followed by a section dedicated to the country's development goals and directions;
- b) *a broader approach to environmental issues*: while in comprehensive strategies these issues are included in distinguishable part (in a separate chapter, subchap-

ter, or point), in sustainable development strategies environmental protection is treated integrally. These issues are included in the discussion of the particular area or economic sector (eg. Saeima of the Republic of Latvia 2010);

- c) *the international dimension*: in comprehensive strategies, international issues are reduced to trade, regional integration, or international development help. Balanced strategies, on the other hand, emphasise the importance of collective action to achieve overall benefits both for individual countries and globally.

Selective strategies are those that are focused on selected areas that are perceived to be decisive for the future development of a country. These strategies look for factors that activate and/or improve the functioning of the entire system. Thus, their aim is not – as in the case of comprehensive strategies – to define the target shape of the socio-economic system but to solve specific problems in a well-functioning system.

In the case of Poland's strategy, regional development issues are crucial for the country's long-term development (Ministry of Development 2017; Oleksiuk 2018). An effective regional policy based on population, production, and employment policies is expected to enable further sustainable and rapid development of the country.

The Latvian document is focused on issues of the long-term sustainability of public finances. This sustainability is considered in the context of projected demographic changes and the associated increase in the burden on the state budget from increased pension payments (Cross-Sectoral Coordination Center 2020).

In addition to the basic types of strategy discussed above, there is also a mixed type having features of diverse types of structures. However, this is not a strategy type specific to the CEE countries.

Most of the strategies do not have information on the method used to develop the assumptions of a country's development strategy. Nevertheless, an analysis of some documents makes it possible to find a certain group of methods that are used in the elaboration of the strategy assumptions. These methods include SWOT analysis, development scenarios, and social consensus (Czech Republic, Poland, Latvia, Lithuania, and Estonia).

SWOT analysis is a commonly used method of finding the strengths and weaknesses of the organisation, for which the analysis is being developed, it also examines the opportunities and threats present. The method is based on a scheme for classifying the factors affecting the current and future position of the organisation according to the following criteria:

- a) factors external to the organisation or having the character of internal conditions;
- b) factors having a negative or positive impact on the organisation.

From the intersection of these two divisions, four categories of factors appear to form the overall dimensions of the SWOT analysis:

- 1) *Internal positive – Strengths*. Strengths are qualities that distinguish the organisation from its competitors in a positive way.
- 2) *Internal negative – Weaknesses*. Weaknesses are a consequence of resource constraints and insufficient skills.

- 3) *External positive – Opportunities*. Opportunities are phenomena and trends in the environment that, if properly exploited, can become an impetus for future development and mitigate existing threats.
- 4) *External negative – Threats*. Threats are all external factors that are perceived as barriers of any kind, impediments, or other costs for future development.

However, in most documents, even if such analysis has not been fully carried out in a formal sense, selected elements of the analysis or its conclusions appear.

Scenarios are used to supply a variant outline of key macroeconomic trends and quantities. Scenarios are based on the selection of variables and the adoption of specific assumptions, which make it possible to present the consequences of the choice of certain developments or the occurrence of certain conditions. Scenarios present several alternative visions of a country's socio-economic development. Usually, these are two extreme scenarios (optimistic and cautionary scenarios), and a main scenario – the so-called baseline scenario. They have an assessment of the consequences for economic growth that the occurrence of certain conditions will cause. Development scenarios can be used not only to illustrate changes in a specific sector or area of the economy, but also to present changes in the economy or society.

Social consensus is meant that the expectations and opinions of the actors or parties affected by the strategy are considered in the development of the strategy. This approach to strategy formulation was widely used in the analysed documents. It is reported that several types of independent actors have been involved in developing the strategy. These are usually scientific and research institutes and expert groups. Direct surveys of public opinion about issues relating to the strategy were also conducted.

### Overarching aims in strategies

The overarching aims included in strategies are descriptive. They include a concise description of the target vision and some signs of how it will be achieved. Such goals can be divided into the following categories:

- 1) *Overall vision of the target society*. It is the most common way of formulating the goal in strategies. It includes the desired vision of the social order. Croatia, for example, emphasises democratic values, stresses the role of the individual, the importance of freedom and security, and points to the role of the state as a provider of conditions for citizens' self-realisation (Ministry of Regional Development and European Union Funds 2021). Latvia takes as its goal the achievement of the level of prosperity of highly developed countries (Cross-Sectoral Coordination Center 2020; Saeima of the Republic of Latvia 2010).
- 2) *Target society model focusing on selected aspects*. Several countries define the overarching goal as a target vision of society in the context of selected areas. This applies to strategies defined as selective. In the Polish strategy, the overarching goal, in line with the welfare state, is defined through the prism of regional development, population aging, and measures leading to a society of equal



opportunities – i.e., the areas selected by the authors, which are the axis of the document (Ministry of Development 2017). Similarly, in the case of Lithuania and Latvia – the overarching aim focuses on the prospects for the sustainability of the state's public finances in the context of an aging population (State Progress Council 2012; Cross-Sectoral Coordination Center 2020).

- 3) *Sustainable development goals* – overarching goals in line with sustainable development concepts appear in sustainable development strategies. For example, in the Latvian document, an overarching goal is a bundle of concepts characteristic of the concept of sustainable development particularly relevant to the specifics of the country (Cross-Sectoral Coordination Center 2020).
- 4) *Economic goals*. Strictly economic goals are included in the Czech and Polish strategies. It boils down to the fastest possible industrialisation and modernisation of the economy (Office of the Government of the Czech Republic 2017; Ministry of Development 2017; Oleksiuk 2018).

In general, it can be considered that the target vision of society for most countries is the Western European model of a highly developed society and economy. Within this pattern, individual countries choose different variants.

### **Selected issues covered by the strategies**

This part of the article presents the analysis of the key issues that are the subject of the socio-economic strategies of the Central and Eastern European countries. In the 21st century, adverse changes in the demographic structure and the problem of migration are among the most critical issues in this part of Europe.

There is now a widespread trend towards an increase in the proportion of the elderly population (over 65 years old) in the total population. This is the result of a declining birth rate (although this process is occurring at different rates in the various countries under discussion) and a concomitant increase in human life expectancy. This shift in the age distribution of the population towards older ages is referred to as population aging. This problem primarily affects highly developed countries.

The second characteristic trend is the increase in migration flows, which is related, among other things, to the globalisation process and the growing economic and social inequalities between developed and developing countries. At the same time, technological progress has increased the mobility of people, who more easily change their place of residence in search of work and better social conditions, which has contributed to an increase in migration.

Demographic issues are included in most of the analysed CEE strategies, although they are focused on various aspects of the issue depending on the level of development of the country. These strategies form the core of all long-term considerations. Strategies that consider demographic issues extensively are focused on unfavorable trends. So, proposals for national population policy measures are formulated. Thus, the main issue addressed in the strategies of the Central and Eastern European countries is the process

of population aging. The governments of these countries perceive the negative effects of this trend, especially on the labor market (threat of labour shortages) and because of the increasing burden on public finances (decrease in tax revenues due to reduced time worked, increase in expenditure on pensions, health care, social care, social insurance, public transport). In addition, population aging may negatively affect the productivity and innovativeness of economies.

In this connection, various ways of counteracting the financial impact of an aging population are being considered, including, pension reforms, increasing the retirement age, increasing taxes, creating reserve funds, immigration, better use of the labour force, and family-friendly policies.

One way to alleviate the problem of an aging population is through immigration. The dilemma for developed countries is that, on the one hand, they need an influx of labor due to the aging process, and, on the other hand, they fear a massive influx of immigrants from poorer countries. This reluctance is due to concerns about competition in the labor market, and the preservation of national identity and security (there is a higher crime rate among immigrants). Nevertheless, it is believed that without increased immigration, it will be difficult to avoid strains on the finances of social security systems. The strategies of the Central and Eastern European countries foresee a further decline in the fertility rate, which is below the simple replacement level. At the same time, average life expectancy is increasing, which in total will make the aging process very dynamic. What is needed, therefore, is an active pro-family policy, which is emphasised in many strategies in Poland, Lithuania, and Latvia, among others (Ministry of Development 2017; State Progress Council 2012; Cross-Sectoral Coordination Center 2020). However, the assumptions and proposals that appear in these documents do not translate into increased fertility rates.

In *National Development Plan of Latvia for 2021–2027*, we can read: "Growth model for Latvia: people first" (Cross-Sectoral Coordination Center 2020: p. 5). By 2030 Latvia is to become a country of active and responsible citizens. Every citizen will have the opportunity to achieve their goals. The strength of the Latvian nation will lie in its cultural and spiritual heritage, the richness of the Latvian language, but also the citizens' knowledge of foreign languages. These factors, according to the authors of the document, "will unite the society in the creation of new, diverse and unique values in the economy, science and culture that will also be appreciated also outside Latvia. Riga will be an important European cultural, tourism and business centre. To promote regional development, preconditions will be created to increase the economic potential [...] and reduce socio-economic disparities." (Cross-Sectoral Coordination Center 2020: p. 5). The *National Development Plan of Latvia for 2021–2027* sets out the strategic goals that Latvia will commit to achieving by 2027.

In contrast, the strategy *Estonia 2035* is a strategic management tool for coordinating the country's long-term activities, planning, and economic management (The Republic of Estonia Government 2020). The strategy *Estonia 2035* is implemented through sectoral and regional development plans and programs. The strategy is used as a basis for strategic planning by local governments, private sector organisations, and civil society. The

strategy *Estonia 2035*, like that of other European countries, "is integrated with the economic coordination of the European Semester which serves as a basis for the planning of European Union (EU) funds and provides a direction for implementation of sustainable development goals in Estonia" (Republic of Estonia Government 2020: p. 3).

The *National Development Strategy of the Republic of Croatia until 2030* (Ministry of Regional Development and European Union Funds 2021) is the action plan, which is aimed at the support of the digital and ecological transformation of Croatian society and economy. The *National Development Strategy...* has set four strategic priority axes, i.e., sustainable economy and society, strengthening resilience to crises, green and digital transformation, and sustainable regional development.

The *Strategy for Responsible Development of Poland until 2030* (Ministry of Development 2017) assumes sustainable economic development, based on investments in energy, transport, industry, science, and innovations.

In contrast, the authors of the Lithuanian document emphasised: "We aim at a creative empowerment of each and every member of the society, focusing on ideas that would help Lithuania to become a modern, energetic country, embracing differences, and with a strong sense of national identity" (State Progress Council 2012: p.7). The same document states that "changes will take place in the following areas:

- 1) *Smart society*: happy society that is open to the ideas of each citizen, to innovations and challenges, proving solidarity, self-governance, and political maturity.
- 2) *Smart economy*: economy that is flexible and able to compete globally, generating high added value, based on knowledge, innovations entrepreneurship, and social responsibility as well as "green" growth.
- 3) *Smart governance*: governance that is open and participatory, delivering, meeting public demands, and ensuring high-quality services, as well as competent government, able to take targeted strategic decisions." (State Progress Council 2012: p. 8).

Education is one of the areas that feature in all long-term socio-economic development strategies. The prevalence of education is since it is identified as the basis of modern knowledge-based economies and as one of the key factors for socio-economic development in the age of globalisation. The competitiveness of economies depends more than ever on the quality of human resources, and this quality is created to a decisive extent in education. The importance of education as one of the sources of economic growth (both achieved so far and desired in the future) is reflected in the analysed strategies, regardless of the level of economic development of a country. Therefore, the strategies of the Central and Eastern European countries pay attention to the education systems in the respective countries. The following topics addressed in these documents can be distinguished:

- a) adapting human resources to the needs of the labor market,
- b) increasing the quality of education,
- c) tackling social diversity,
- d) supporting the competitiveness and innovation of the economy,
- e) creating public awareness.

The analysed strategies also contain other solutions to contribute to the improvement of educational facilities, namely: strengthening the control and supervision of the quality of the educational offer (e.g. by implementing a system of accreditation of educational institutions); deepening international cooperation; developing a strategy for the allocation of research and development funds for higher education institutions; harmonising curricula and requirements for higher education institutions to achieve real competitiveness of diplomas and certificates, also in international terms. For example, the activities listed in the *National Development Strategy of the Republic of Croatia until 2030* (Ministry of Regional Development and European Union Funds 2021) are aimed to support, as already mentioned, four pillars. In each of them, a factor related to education appears primarily in the context of increasing digital skills for all citizens. Improving and easing access to high-quality adult education programs on digital competencies is prioritised in Croatia's strategy. This approach is aimed to enable citizens to actively take part in a digital society and economy. The Croatian strategy also draws attention to matching the skills of the workforce with relevant digital competencies and recruitment needs, promoting the development of digital workplaces, creating the conditions necessary to improve individuals' career prospects, adapting and developing human resources for traditional industries and occupations to meet the needs of the digital environment, society, and the economy. Attention is given to improving ICT skills, keeping and attracting talent. An increase in the number of ICT specialists with higher and secondary education and the development of advanced digital competencies from an early age should be also encouraged (Ministry of Regional Development and European Union Funds 2021). The development of education is also a priority of the Polish strategy. However, this cannot be achieved in isolation from equalising opportunities in society (Ministry of Development 2017). In this context, the Polish strategy pays remarkably close attention to the overcoming social exclusion.

It can be concluded that education system is a crucial element of socio-economic strategies, and it is intended to support the state's activities in such matters as equalising educational opportunities, counteracting social exclusion, or stimulating the development of certain social groups or even regions.

Promoting the competitiveness and innovativeness of the economy is another important aspect, aiming to stimulate the creation and introduction of innovations in the economy, to increase the absorption ability of modern technologies, and to create a highly qualified workforce to develop high-tech sectors – increasing the competitiveness of the economy. Thus, the strategy *Estonia 2035* is focused on increasing the competitiveness and innovativeness of the economy by improving transport and energy infrastructure. The aim of increasing the innovation and competitiveness of the economy is to improve the quality of life of the population (Republic of Estonia Government 2020).

Similarly, the strategy of the Czech Republic sets out a strategic framework for the long-term development of Czech society. The aim is to improve the quality of life of all Czech residents. At the same time, the strategic framework also serves as a guide for the development of regions and municipalities. The strategy emphasises that quality of life and sustainable development are the most crucial factors in the 2030 perspective. This can

be achieved through investments in infrastructure, the development of the service and industrial sectors, and the improvement of education and healthcare. The Czech Republic's strategy places significant emphasis on environmental protection and the reduction of greenhouse gas emissions (Office of the Government of the Czech Republic 2017).

Lithuania's Progress Strategy *Lithuania 2030* is focused on increasing the country's competitiveness by developing innovation, improving productivity and quality of work, and strengthening the ability to attract investment. Infrastructure development, including roads, ports, and airports, as well as the development of the energy sector, are also essential elements of the strategy (State Progress Council 2012). Contemporary long-term strategies – regardless of type – take environmental issues into account.

However, how these issues are addressed varies, according to the type of strategy. They are most fully presented in sustainable development strategies. For example, Latvia defines its spatial development perspective – from the point of view of sustainable development (Saeima of the Republic of Latvia 2010). Also, the strategy *Estonia 2035* is focused on the sustainable digital economy (Republic of Estonia Government 2020).

In general, the goals in environmental protection are related to two fundamental areas: improving the quality of life and preventing environmental degradation by promoting changes in management practices. The first comes down to ensuring a safe and healthy environment for present and future generations, the essence of the second is the need to link socio-economic development with environmental protection to prevent over-exploitation.

The environment and its quality are treated as a public good, and changes in its condition cause long-term effects for society. Therefore, all strategies emphasise the state's responsibility for environmental issues and sustainable development. Thus, in the area of environmental protection, irrespective of the type of economy, the large role attributed to the state is noticeable.

The characteristic feature of environmental issues in all types of strategies is that these issues appear more strongly than others in international context. This is due to the specificity of the issue, consisting in many cases of the need for international coordination of activities in this field (especially climate change, the ozone layer, seas, oceans, etc.).

All strategies emphasise the need to make the public aware of the importance and role of environmental issues, raise environmental awareness, and integrate environmental issues into educational programmes. It is also postulated to broaden the scope of public consultation and to involve private sector companies in the implementation of environmental standards in their operations.

It can be concluded that environmental issues in the analysed strategies are concentrated in three areas. Firstly, these are the so-called clean production and consumption; secondly, the problem of preserving the natural state of the environment; and thirdly, these are issues related to the efficient and rational use of natural resources.

Of the environmental issues in the documents discussed, most attention is given to the issue of so-called clean production and consumption patterns. The need to change production and consumption patterns is a result of changes in the feeling of

the relationship between economic growth and environmental protection and condition. The postulated changes in production and consumption patterns concern the sphere of broadly defined production techniques, infrastructure, and the promotion of the different lifestyle. Clean production techniques, on the one hand, are geared towards increasingly efficient use of resources, and on the other hand – towards a clean production process and an environmentally unobtrusive product. The need to inform the public (the consumer) about the environmental effects of products is shown.

Trends are also appearing in the strategies of Central and Eastern European countries, which indirectly result in a reduction of the environmental pressure caused by infrastructure overload. The change in consumption patterns is linked to lifestyles and concerns two trends. Firstly, increasing importance is being placed on a clean environment – as an element of high quality of life and a factor in health. Secondly, lifestyle is also about pro-environmental choices made by consumers.

## Conclusions

It should be stressed that a strategy is defined in the economic literature as a response to development challenges of external and internal nature. It is, in a sense, a social settlement about basic dilemmas. The country's long-term and medium-term socio-economic development strategies are documents that cover the so-called long horizon. Such documents define the main goals and selected areas and directions of action, considered most important in terms of stimulating the process of socio-economic development and achieving the set goals. Strategic thinking is essential in today's turbulent environment. Every country needs a well-designed development strategy. Through the development of such documents, the most important challenges and problems facing each country can be named. The necessary ways to solve them can also be outlined. Strategies also make it possible to focus resources appropriately on those projects that are key from the point of view of a particular country.

Socio-economic strategies are being developed in all Central and Eastern European countries that have transformed their economies, including Lithuania, Latvia, Estonia, the Czech Republic, Croatia, and Poland. As a result of this study, three types of strategies were distinguished, most important from the point of view of the thematic scope: comprehensive strategies, sustainable development strategies, and selective strategies. The analysis in this article was focused on the former documents. The author also discussed a group of methods that are used in the preparation of strategy assumptions, such as SWOT analysis or scenario approach. The review of the key strategic documents of the selected EU countries has made it possible to find familiar challenges and themes that have become the subject of the development documents of the countries in this part of Europe. These challenges include: demographic problems, migration problems, competitiveness and innovativeness of the economy, the education system, labor market, sustainable development, environmental protection, infrastructure, and the energy sector.

**Adam Oleksiuk** – PhD in Economic Sciences, lecturer and researcher at the SGH Warsaw School of Economics. Graduate of the Faculty of Management at the University of Warsaw, followed by Foreign Policy Studies at the Polish Institute of International Affairs and several managerial postgraduate studies. Academic internships abroad at the University of Cambridge, Stockholm School of Economics in Riga, Saxion University. Multiple scholarship holder of the programmes *Erasmus* and *Erasmus+*. Participant of courses organised by The Joint Vienna Institute and The Vienna Institute for International Economic Studies. Author or co-author of approximately 150 publications. His research interests include the economic transformations taking place in Central and Eastern European countries.

**Adam Oleksiuk** – doktor nauk ekonomicznych, wykładowca i pracownik naukowy Szkoły Głównej Handlowej w Warszawie. Absolwent Wydziału Zarządzania Uniwersytetu Warszawskiego, następnie Studium Polityki Zagranicznej Polskiego Instytutu Spraw Międzynarodowych oraz kilku menedżerskich studiów podyplomowych. Odbił naukowe staże zagraniczne w University of Cambridge, w Stockholm School of Economics in Riga oraz w Saxion University. Wielokrotnie stypendysta programów *Erasmus* i *Erasmus+*. Uczestnik kursów organizowanych przez The Joint Vienna Institute oraz The Vienna Institute for International Economic Studies. Autor lub współautor ok.150 publikacji. Zainteresowania badawcze dotyczą m.in. przemian gospodarczych, zachodzących w krajach Europy Środkowej i Wschodniej.

### ➔ References:

- ACEMOGLU Daron, ROBINSON James (2013), *Why Nations Fail. The Origins of Power, Prosperity, and Poverty*, New York.
- BARRO Robert (1991), *Economic growth is a cross section of countries*, "The Quarterly Journal of Economics", vol. 106, no. 2.
- BARRO Robert (1997), *Determinants of economic growth*, Cambridge, Massachusetts.
- BENHABIB Jess, SPIEGEL Mark M. (1994), *The role of human capital in economic development. Evidence from aggregate cross-country data*, "Journal of Monetary Economics", vol. 34, issue 2. DOI: 10.1016/0304-3932(94)90047-7
- BESANKO David, DRANOVE David, SHANLEY Mark, SCHAEFER Scott (2015), *Economics of strategy*, 7th Edition, Hoboken – New Jersey.
- BEUGELSDIJK Sjoerd, van SCHAIK Ton (2005), *Social capital and growth in European regions: An empirical test*, "European Journal of Political Economy", vol. 21, no. 2.
- CROSS-SECTORAL COORDINATION CENTER (2020), *National Development Plan of Latvia for 2021–2027*, Riga, <https://www.mk.gov.lv/en/media/15165/download?attachment> (01.03.2023).
- DIMITRIU George (2020), *Clausewitz and the politics of war: A contemporary theory*, "Journal of Strategic Studies", vol. 43, issue 5. DOI: 10.1080/01402390.2018.1529567
- FREEDMAN Lawrence (2013), *Strategy. A History*, Oxford University Press.
- HANDEL Michael (ed.) (1986), *Clausewitz and Modern Strategy*, Abington.
- HIRSCHMAN Albert O. (1958), *The Strategy of Economic Development*, New Haven, Yale University Press.
- JAFFEE David (1998), *Levels of Socio-Economic Development Theory*, Westport.
- KARPIŃSKI Andrzej (2014), *Kontynuować czy zmieniać. O strategii gospodarczej dla Polski*, Warszawa.

- KORNBERGER Martin (2013), *Clausewitz: On strategy*, "Business History", vol. 55, issue 7. DOI: 10.1080/00076791.2013.838035
- MINISTRY OF DEVELOPMENT (2017), *Strategy for Responsible Development for the period up to 2020 (including the perspective up to 2030)*, Warsaw.
- MINISTRY OF REGIONAL DEVELOPMENT AND EUROPEAN UNION FUNDS (2021), *National Development Strategy of the Republic of Croatia until 2030*, Zagreb.
- MINISTRY OF REGIONAL DEVELOPMENT (2006), *National Development Strategy 2007-2015*, Warsaw.
- OCAMPO José Antonio, RADA Codrina, TAYLOR Lance (2009), *Growth and Policy in Developing Countries: A Structuralist Approach*, Columbia University Press. DOI: 10.7312/ocam15014
- OFFICE OF THE GOVERNMENT OF THE CZECH REPUBLIC (2017), *The Strategic Framework Czech Republic 2030*, Prague.
- OLEKSIUK Adam (2018), *Poland's Responsible Development Strategy – Challenges, Reflections and Remarks*, "Asian Journal of Science and Technology", vol. 9, no. 4.
- PALAN Ronen P., ABBOTT Jason, DEANS Phil (2005), *State Strategies in the Global Political Economy*, New York.
- REPUBLIC OF ESTONIA GOVERNMENT (2020), *"Estonia 2035" Strategy Draft (8 October 2020)*, Tallinn.
- ROSS Don (2005), *Economic Theory and Cognitive Science: Microexplanation*, The MIT Press.
- SAEIMA OF THE REPUBLIC OF LATVIA (2010), *Sustainable Development Strategy of Latvia until 2030*, June 2010, Riga, <https://www.mk.gov.lv/en/media/15132/download?attachment> (01.03.2023).
- SZIRMAI Adam (2015), *Socio-Economic Development*, Cambridge University Press.
- STATE PROGRESS COUNCIL (2012), *Lithuania's Progress Strategy "Lithuania 2030"*, Vilnius.
- WILSON Lou (2006), *Developing a model for the measurement of social inclusion and social capital in regional Australia*, "Social Indicators Research", vol. 75, no. 3. DOI: 10.1007/s11205-004-25276