Determinants of the Socio-Economic Situation of Living Standards in Areas Previously Occupied by State Farms in Poland: A Case Study

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Abstract:

Purpose: The research objective was to diagnose the socio-economic situation in areas formerly occupied by a state-owned farm in Poland, using the Province of Warmia and Mazury as an example.

Design/Methodology/Approach: Both a quantitative method and a qualitative one was employed. The research was conducted among residents of areas previously occupied by state-owned farms using a poll approach and a questionnaire designed by the research authors.

Findings: A combination of factors, individual, cultural, and macrosocial ones, contributed to the situation when former state-owned agricultural farms in Poland are now an area where many negative, interconnected issues, such as unemployment, poverty, marginalization, lack of prospects and hope for the future, are concentrated. One of the major problems in these territories' labor market is the low occupational activity level among residents. Despite the high unemployment rate, nearly ¾ of the surveyed persons were not interested in improving their labor market position.

Practical Implication: The practical implication arising from the research is the possibility of using the results in creating a regional policy in areas affected by the negative consequences of the operation and subsequent dissolution of state-owned agricultural farms.

Originality/Value: It is still necessary to conduct studies in the areas formerly dominated by state farms in agriculture and search for new system-scale solutions, especially because the current interest in residents' situation in these areas is now waning. Rural areas, with their specific characteristics, for example, the occurrence of hidden unemployment, are distinguished by a large untapped human potential.

Keywords: State-owned farms, entrepreneurship, rural areas, labor market, state transformation in Poland.

JEL codes: A13, E2, L26, Q19.

Paper type: Research Paper.

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1. Introduction

The origin of state-owned farms (in Polish: Państwowe Gospodarstwa Rolne, PGRs) in Poland dates back to early 1949, when the State Land Properties, an institution set up 1946 for the management of state farms, was dissolved. Numerous transformations and organizational changes, often motivated by ideological reasons, decided how state-owned farms functioned for years. The history of PGRs, spanning over 40 years, had a strong impact on the economic, spatial, and social aspects of rural areas in Poland (Marks-Bielska and Woźniak, 2009).

The transformation of Poland's state system and economy, initiated in 1989 to create the foundations of a market economy, set up a new institutional framework for rural areas, including the territories previously owned by PGRs (Wilkin, 2007; Marks-Bielska, 2014). The institutional system for the development of rural areas should be interpreted as a set of mutually affecting and interconnected formal and informal institutions, which include ownership relations, legal regulations, legal frameworks in the process of supporting rural areas and agriculture, private and public organizations aiding the development of the countryside, and social attitudes which determine the activity of countryside residents (Wilkin, 2007). The state reforms implemented in the early 1990s led to the dissolution of all state agricultural farms in Poland. The transformations which were taking place in the agricultural sector at the same time focused mainly on the formation and modifications of formal institutions (the system of property rights, legal norms, etc.) while neglecting informal institutions (Milczarek, 2002).

Furthermore, drawing on the achievements of new institutional economics, one needs to point to an unequal rate at which changes within institutional order constituents proceed (North, 1990). Thus, the relatively rapid implementation of formal institutions' changes can be accompanied by much slower informal institutions, e.g., social attitudes, way of thinking, or traditions, which can take many years or even a few generations (Wilkin, 2007; Marks-Bielska and Opalach, 2020).

Institutional changes resulting from the set of transformations, regardless of the model selected for their implementation, will invariably lead to considerable economic and social differences. Consequently, there are 'winners' and 'losers.' 'The winners' of the transformation of the Polish countryside are land lessees or new proprietors of the land and buildings previously owned by PGRs, who improved their material and social status. The term 'losers' is attributed to most former state-owned farmworkers and their families, who lost a workplace where material status deteriorated (Marks-Bielska, 2005; 2018). The mode of managing state-farms, persisting for decades and connected with the state's welfare role, not only determined the material status of many people after the liquidation of PGRs but also fostered their demanding attitude, so-called 'learned helplessness,' acquired because of the excessive dependence on their employer and the isolation of state farm housing estates from the institutional environment (Marks-Bielska, 2005; Marks-
Bielska and Opalach, 2020). The institutional help state farm workers used to receive, which was a benefit they were eligible for, including child care, housing (the housing infrastructure, repairs), transport, and even food supplies, meant there was no need to undertake individual efforts or group bottom-top initiatives by PGR workers and their families in order to solve economic and social problems that might have occurred. In the later period, the financial support granted by the state often fossilized the belief held by beneficiaries that state institutions would continue to solve the problems as they occurred or could event prevent their emergence (Pysz-Piotrowska, 1998).

Studies carried out over the past thirty years among communities formerly connected with state farms (Wilkin, 1997; Pysz-Piotrowska, 1998; Kawczyńska-Butrym, 2001; Niedzielski and Domańska 2001; Organischiak-Krzykowska, 2001; Marks-Bielska, 2002; Milczarek, 2002; Kłodziński and Dzun, 2003; Marks-Bielska, 2005; Kozłowska-Burdziak, 2006; Marks-Bielska and Babuchowska, 2011; Marks-Bielska, 2018; Marks-Bielska and Opalach, 2020) have testified numerous social and economic problems that those people have had to struggle with. The low level of education, narrow and specific qualifications gained while doing simple jobs on farms, and the 'learned helplessness' of former PGR employees and their family members led to considerable inertia among these populations and high unemployment in areas previously dominated by state farms.

After more than 30 years since the new economic system was implemented in Poland and the Polish agriculture changed extensively, rural areas, including those which used to be managed as state farms, still experience many economic and social problems, accumulated barriers to development, inherited poverty and helplessness. This substantiates the need for a detailed analysis of the situation in these areas and provides opportunities to apply research results to creating effective solutions for sustainable rural development policy.

Further studies focusing on areas previously dominated by state-owned agricultural farms and consequently searching for new system solutions are still needed. Due to their specific characteristics (including the presence of hidden unemployment), rural areas have a large untapped human potential. These human resources could be successfully used in different forms of occupation outside agriculture.

Unquestionably, the development of entrepreneurship in rural areas is much more difficult than in urban territories (Terluin, 2003; Laschewski, 2009; Copus, 2011) due to such factors as differences in the level of available infrastructure, the smaller scale of business activities, more difficult access to information or business environment institutions. However, activation of rural populations, including those living in areas previously dominated by state farms, and the dissemination of entrepreneurial attitudes are pivotal to reducing social exclusion and creating chances for local development.
Over the past thirty years, negative consequences of the system transformation in rural areas have emerged in other countries. With its specific characteristics, transformations in the state-managed agriculture in the German Democratic Republic had much in common with Poland. Changes in both countries were termed 'shock therapy.' However, it is worth clarifying that the starting position of Poland was much worse. The key difference in that process was the support that the GDR received after Germany's unification from one of the biggest European economies, which is from the Federal Republic of Germany. The planned and complex measures implemented with qualified experts from West Germany enabled the GDR to introduce many significant changes rapidly. Importantly, too, the agriculture in Germany's eastern lands upon unification became eligible to the aid from the Common Agricultural Policy. Irrespective of this, Germany did not manage to avoid a socio-economic crisis in the agricultural sector and its environs.

Like Polish rural areas dominated by state-owned farms in the past, Germany's eastern lands are still an arena of many unresolved problems. The fundamental restructuring of the state, leading to higher unemployment, high job insecurity, low entrepreneurship, and undesirable demographic changes (including young people's emigration), gave rise to numerous disadvantageous social developments. Social exclusion in eastern lands was responsible for the emergence of rural ghettos, created by marginalized communities, pestered by long-term unemployment and social welfare dependence (Willisch, 2008). German researchers (Laschewski, 2000; 2009; Laschewski and Siebert, 2004) ascribe the fundamental role of the development of marginalized rural areas to the growth of entrepreneurial attitudes. At the same time, they point to numerous structural and psychological barriers rooted in the previous state system, which significantly retard this and other economic processes.

Studies carried out in Poland, and other countries testify to a considerable and negative impact of state-owned agricultural farms' dissolution on rural areas' development. Constraining or even eliminating factors that exert a negative effect on development, including the development of entrepreneurship, in these areas is impossible unless detailed verification of the determinants of the current situation is achieved.

Many scientists (Acs and Audretsch, 1988; Baumol, 1990; Wennekers and Thurik, 1999; Audretsch and Thurik, 2001; Acs et al., 2008; McMullen et al., 2008; Williams and Vorley, 2015; Marks-Bielska, 2017) have provided evidence in favor of the widespread impact of entrepreneurship on all areas of economic life, testifying that this is one of the most important factors on local, regional and national levels. Local entrepreneurship is an economic activity leading to the establishment of new companies, contributing to economic growth and improved living standards for the entire local community (Marks-Bielska, 2017). A positive influence on the local economic and social environment may become visible due to just one company. By employing members of the local population, stimulating new companies, and
entering into cooperation with them, a company stimulates the local community (Glinka and Gudkova, 2011).

Entrepreneurship plays a key role in attaining goals defined by the regional policy, which strives towards diminishing differences between regions. The idea of growth, manifested by higher employment and investments carried out to improve territorial competitiveness, can stimulate local, regional, or national economic development (Pike et al., 2006). Nevertheless, the presence of peripheral regions, perceived as entrepreneurial laggards, seems unavoidable. The obstacles those areas encounter, rather than being a consequence of the inability to take action, arise from an underdeveloped informal institution system (Vaillant and Lafuente, 2007; Baumgartner et al., 2013). In Poland, such regions include rural areas exposed to many structural transformations in the past, like the ones previously managed as state-owned agricultural farms.

2. The Research Objective and Methodology

This study aimed to make a diagnosis of the economic and social status of the populations living in areas previously dominated by state-owned agricultural farms (PGRs), as exemplified by the situation in the Province of Warmia and Mazury. To reach this overriding goal, the following interim aims were defined: (1) to make a diagnosis of the labour market, (2) to identify determinants of business activities.

This study's applied aspect is seen in the possible use of its results to shape a regional policy in areas exposed to the negative consequences of the operation and subsequent dissolution of state-owned farms.

The research involved a quantitative and a qualitative method. The former was employed for the diagnostic process, while the latter served to explain the observed processes. Residents of rural areas previously dominated by state-owned farms were submitted to a study conducted with a poll method, according to the methodology developed at the Department of Economic Policy, the Faculty of Economics, at the University of Warmia Mazury in Olsztyn. The basic research instrument consisted of an interview questionnaire designed specifically for this purpose.

The survey was addressed to 257 randomly chosen inhabitants of eight rural housing estates owned in the past by state farms and situated in the Province of Warmia and Mazury (as a typical region in terms of the research problem raised, with the accumulation of negative economic and social consequences affecting the people living in areas formerly occupied by state-owned farms). Before the year 1990, nearly 50% of arable land in the province belonged to the State Farms (PGR), which employed over 65,000 people. The dissolution of these farms during the state transformation in the 1990s enabled more efficient management in agriculture and resulted in high unemployment in these areas. It is estimated that this change cost 25,000 jobs. The Province of Warmia and Mazury, compared to other Polish
provinces, has the worst situation on the labor market together with the lowest entrepreneurship indicators and is one of the least developed parts of Poland.

3. Research Results

3.1 Situation at the Labor Market

During the economic transformations in the early 1990s, the occupational activity of the Polish population decreased drastically. One of the contributing factors was the change in ownership relations in the agricultural sector. The decision to dissolve all state-owned farms in Poland led to considerable vocational deactivation and high unemployment rates in the areas until then dominated by state-owned farms (Marks-Bielska, 2005). Over thirty years later, the labor market situation in these areas still has many negative characteristics, which are passed on to new generations.

The analyzed population composed of inhabitants of areas previously occupied by state-owned farms was dominated by persons not engaged in any vocational activity at the time of conducting the survey: old-age (ill-health) pensioners - 24.51%, unemployed persons - 20.23% and persons with other types of status on the labor market, including students - 5.06%. Among those in employment, the largest percentage (41.25%) was composed of persons working continually for the same employer for 10 or more years (52.83%). The percentage of self-employed people or people working on their own farms was similar and not exceeded 5% (Figure 1).

**Figure 1. Situation on the labour market among the surveyed populations living in areas formerly dominated by state-owned farms**

![Bar chart showing labor market status percentages: a) person in employment, b) old-age (ill-health) pensioner, c) unemployed person, d) other situation, e) self-employed person, f) person working on own farm.]

N=257
a – person in employment  d – other situation, e.g. learning
b – old-age (ill-health) pensioner  e – self-employed person
c – unemployed person  f – person working on own farm

Source: The authors, based on the research results.

The high share of persons outside employment is compounded by the fact that nearly 11% of the respondents had never worked. Regarding the length of service in employment declared by those respondents who had ever been employed (89.11%), the replies varied considerably. Most stated it did not exceed 5 years, and 30% of this group were over 30 years old. The second most numerous groups were persons whose total length of service exceeded 35 years. The share of unemployed persons
among the respondents was more than twofold higher than the unemployment rate recorded in the Province of Warmia and Mazury, which equaled 8.70% when the study was conducted. A third of those were people outside employment for more than 10 years. Meanwhile, among the respondents who admitted being unemployed in the past or during the survey, there were three groups similar in size: unemployed for 2 to 5 years – 28.78%, less than 2 years – 27.34% and from 5 to 10 years – 24.46% (Figure 2).

**Figure 2. The time when being unemployed**

| Time          | Percentage |
|---------------|------------|
| Over 15       | 9.35       |
| (10-15)       | 10.07      |
| (5-10)        | 24.46      |
| (2-5)         | 28.78      |
| (0-2)         | 27.34      |

*Note: N=139  
Source: The authors, based on the research results.*

The surveyed inhabitants of rural areas in the past occupied by state-owned farms indicated various reasons for unemployment. Among the respondents unemployed in the past or during the survey, the most frequently indicated cause of unemployment was the dissolution of an employment contract by the employee 41.73% and the workplace's closure – 20.86%. Closing of companies was the most common cause of losing a job among those unemployed for over 10 years. In turn, 12% of the respondents claimed that they were unemployed because they had never attempted to take any job. Based on the survey results, three major factors that determined the lack of employment attempts were: family duties - 38.13%, the offered pay being too low - 32.37%, and the lack of jobs available - 30.94%. Noteworthy is the large percentage of people who declared no need to take on a job - 19.42% (Figure 3). Family duties mainly involved taking care of children or looking after elderly members of the family. It should be added that 1/3 of those respondents had a length of service of no more than 5 years, while 15% had never worked.

Among the rural areas previously occupied by state-owned farms who participated in the study, 86.33% declared obtaining different forms of help while being out of work. They were mainly; unemployment benefits (53.96%), help from family and friends (46.76%), and welfare benefits (34.53%). The help offered by family or friends most often consisted of financial aid or being completely dependent on other family members for subsistence. Other sources of assistance were not as important as the three types mentioned above.
Figure 3. Reasons for the lack of taking on employment

Source: The authors, based on the research results.

There was even more variation in the replies concerning declared forms of vocational activation (Figure 4). The survey results show that being an unemployed person did not always entail trying to take advantage of any form of occupational activation. Nearly 20% admitted to never taking any measures to counteract unemployment. Those who declared that they had actively searched for work most often (53.96%) mentioned applying in person to selected workplaces. Another form of activation was to look for employment with job offices’ help (48.20%). For 33.81% of the respondents, income from odd jobs was the only income source to maintain the whole household. However, this form of vocational activation for most respondents meant working in the grey economy for many years, which is still a serious problem in rural areas formerly occupied by state-owned farms.

Figure 4. Forms of proactive stance taken by respondents while being unemployed

Source: The authors, based on the research results.

Despite the large share of unemployed persons in the populations living in rural areas formerly dominated by state-owned farms, 69.65% of the respondents did not feel the need to take any steps to improve their position on the labor market (Figure
5). Among the unemployed persons, as many as 34.62% admitted they did not wish to make any attempts to improve their occupational status. Those who felt the need to make amends most often saw an opportunity to improve their situation by emigrating from Poland: either permanently 11.28% or temporarily 10.51%. The residents of the rural areas submitted to our investigations often pointed to poor transport links to larger towns or cities, as a result of which just 5.06% would be willing to take on jobs in locations more distant from their place of living.

**Figure 5. Willingness to take specific types of action to improve one’s occupational status**

| Action Description                                                                 | % |
|------------------------------------------------------------------------------------|---|
| a – lack of such need                                                              | 69.65 |
| b – emigrate from the country permanently                                           | 11.28 |
| c – emigrate and return to the country after earning a specific amount of money    | 10.51 |
| d – moving home in order to find better work                                       | 8.17 |
| e – taking on a different job, not necessarily corresponding to your qualifications| 6.23 |
| f – taking on a job further from the place of residence                            | 5.06 |
| g – earning new qualifications and working in the job of your choice                | 5.06 |

*respondents could choose more than one answer

Source: The authors, based on the research results.

The labor market situation in the rural areas previously occupied by state-owned farms has been the subject of heated debates since the early 1990s. Our study results prove that one of the major problems that persist in these communities is the low level of occupational activity. Despite the high percentage of unemployed persons (20.23%), the respondents declared very little interest in taking any steps that could improve their position on the labor market (30.35%), and one in five admitted to feeling no need to look for work while being unemployed.

### 3.2 Factors that Determine Economic Activity

Influencing the material status, the way state-owned farms had operated, and their subsequent dissolution instilled a demanding attitude in many people. The welfare role played by the workplace and the state in the past, where people’s everyday life was organized for them, paved the way to the belief that ‘the state will not let you die.’ This attitude makes it difficult, if not impossible, to shape a way of thinking and acting that encourages one to carry out its own economic initiatives, which is desirable in a market economy.

One of the research aims was to identify the factors that condition the low level of entrepreneurship among people who live in areas formerly dominated by state-
owned farms. Over ¾ of the respondents pointed to the necessity to provide sustenance for themselves and their families as the main motivation for being entrepreneurial in the sense of being in employment, finding a new job, or starting own business, etc. (76.65% of indications). Money was significant for 63.42% of respondents, while the opportunity for being with others mattered for 30.35%. The remaining answers did not exceed 20% of indications (Figure 6).

Figure 6. Factors which motivate for being entrepreneurial

![Graph showing percentages for various motivations](image)

N=257  
*a respondents could choose more than one answer  
a – provide sustenance for family  
b – money  
c – socialize with people  
d – achieve a professional growth  
e – fill in the free time  
f – fulfill dreams  
g – social advancement

Source: The authors, based on the research results.

The study into the expectations concerning public administration in terms of the population’s economic activation showed that 82.10% of respondents counted on some help from the state (Figure 7). Most pointed to direct financial support (38.13%) and the organization of training courses (36.96%). Slightly fewer expected public administration to help in starting an economic activity (31.52%) or seeking work (29.57%).

Figure 7. Expectations addressed to public administration in terms of economic activation

![Graph showing percentages for various expectations](image)

N=257  
*a respondents could choose more than one answer  
a – direct financial support  
b – organization of courses  
c – assistance when setting up a company  
d – assistance in seeking work  
e – no expectations  
f – good offer of financial instruments (loans, collaterals, etc.)  
g – others

Source: The authors, based on the research results

Among the residents of rural areas previously occupied by state-owned farms who participated in the survey, the prevalent opinion was that economic activity played an important role in developing their region. 40.47% stated it had a considerable influence, while 34.63% thought there was a relationship between these two
questions. In contrast, only 8% claimed that people’s economic activity did not influence the region’s economic development, including 0.78% who strongly negated such a connection. Another problem raised in this study was verifying the influence of certain factors on the low level of economic activity in the region. The evaluation of the impact of such factors on the low level of economic activity among the inhabitants of areas that used to be dominated by state-owned farms is presented in Table 1.

**Table 1. Evaluation of effects of factors on the low level of economic activity [%]**

| Factor                                      | Evaluation of its impact | Unwillingness | Lack of capital | Lack of help from public administration |
|---------------------------------------------|--------------------------|---------------|-----------------|----------------------------------------|
| Definitely not                              | 7.00                     | 11.67         | 12.84           |
| Not                                         | 8.95                     | 9.34          | 13.62           |
| Difficult to say                            | 14.79                    | 12.84         | 15.18           |
| Yes                                         | 16.73                    | 27.63         | 26.85           |
| Definitely yes                              | 52.53                    | 38.52         | 31.52           |

| Factor                                      | Evaluation of its impact | Lack of sufficient knowledge and qualifications | Lack of institutions providing support when setting up own business | Lack of information about possible support |
|---------------------------------------------|--------------------------|-------------------------------------------------|-------------------------------------------------------------------|--------------------------------------------|
| Definitely not                              | 10.12                    | 16.73                                           | 21.01                                                            |                                            |
| Not                                         | 17.51                    | 11.28                                           | 10.89                                                           |                                            |
| Difficult to say                            | 12.06                    | 35.80                                           | 14.40                                                           |                                            |
| Yes                                         | 27.24                    | 17.51                                           | 18.68                                                           |                                            |
| Definitely yes                              | 33.07                    | 18.68                                           | 35.02                                                           |                                            |

*Source: The authors, based on the research results.*

In assessing the factors influencing the level of economic activity in the region, most respondents (69.26%) suggested that the unwillingness to engage in economic activity was the underlying reason (52.53% - agree strongly and 16.73% - quite agree). The next factor, which was the lack of capital, was evaluated similarly, although the percentages of replies differed. According to 38.52% of the respondents, financial matters strongly determined the level of business activity among the region's population, while 27.63% decided this factor had some influence on entrepreneurship on a regional scale. The research results also showed that people living in areas that used to be dominated by state-owned farms could identify other factors leading to the low level of business activity in the region, such as lack of sufficient knowledge and qualifications (60.31%), lack of assistance from public administration (58.3750 and lack of information about forms of support available (53.70%). However, indications concerning the lack of institutions assisting in starting their own business were less consistent. Despite the overwhelming share of respondents suggesting this could affect the level of business activity in the population, some did not observe a connection between business activity and the factors that were not directly dependent on themselves.
The results of this part of the research, investigating determinants of undertaking economic activity by residents of rural areas previously dominated by state-owned farms, revealed that financial questions played the main role in this process. The main motivation for starting an economic activity was to provide subsistence for oneself and family (76.65%) and to be able to earn money (63.42%). The respondents claimed that public administration should take measures aimed to provide direct financial support (38.13%) and to organize training courses (36.96%) in order to stimulate the local population to be economically more active. Only 17.90% of the respondents did not expect the state to help them in this scope. The general evaluation of the influence of the population’s economic activity on the region’s development indicates an awareness of the connection between these two aspects. However, nearly 17% of respondents did not give a specific reply, while 8.17% admitted to not seeing such a connection.

4. Summary, Conclusions and Recommendations

The complete transformation of the economic system in Poland, including privatization of the State Agricultural Farms, forced big structural changes and created new opportunities for shaping the economic structures in such a way as to foster a more rapid economic development. These opportunities have not been fully exploited yet due to institutional, financial, educational, and other barriers.

One of the production factors accumulated in former state-owned farms, that have not been completely and rationally used is labor. However, this is a problem of most market economies, including highly developed ones. Ownership transformations in the agricultural sector proceed more slowly and incur higher costs than expected, including social costs. The state-owned farm's transformation raises many problems and controversies, falling in the area between efficiency and justice. Initially, most attention in the transformation of state-owned farms was paid to the acquisition and then management of the land and buildings owned by state farms. The social issues were gaining more importance as the negative consequences of this transformation, such as the unemployment of former PGR workers and other difficulties caused by the lack of work, were accumulating.

Former workers of the State Agricultural Farms are a separate social group in rural areas. Together with their families, they live in housing estates developed by the state farms, mostly earn income from non-agricultural sources, and do not benefit from the agricultural policy’s effects.

An amalgamation of personal, cultural, and macro-social factors has led to a situation where former state-owned farms are nowadays a site of the concentration of many negative, interconnected issues, including unemployment, poverty, marginalization, and lack of prospects and hopes for the future. Former employees of state-owned farms were forced to deal with these
problems on their own. Inhabitants of housing estates previously developed by state-owned farms heavily depend on the local labor market and its social policy. Many of these communities depend on transfer benefits (old-age pensions, ill-health pensions, unemployment benefits).

The lack of help from outside sources can block the younger generation's opportunities to enter the labor market, and without work, there is no chance to overcome poverty. This state of affairs can fossilize or even deepen the current, disadvantageous situation, leading to the replication of poverty and repetition of parents' professional careers.

The mechanisms and attitudes which hinder the social assimilation of communities living in areas formerly dominated by state-owned farms have not disappeared even though these state enterprises were dissolved almost thirty years ago. It seems improbable that former state farmworkers, living in areas with poor social and economic background, could become creators of positive changes in the local environment. It is, therefore, necessary to identify some system solutions to this problem.

The research reported in this article served to diagnose the economic and social situation in rural areas of the Province of Warmia and Mazury that used to be dominated by state-owned farms, paying special attention to the labor market situation, entrepreneurial attitudes, and factors influencing the economic activity. The collected information substantiates the following conclusions:

1. One of the main problems in the labor market in rural areas previously dominated by state-owned farms in the low occupational activity level among local communities. People outside employment, i.e., unemployed, old-age pensioners, ill-health pensioners, schoolchildren, and students, made up 49.80% of all the respondents.

2. The unemployed made up 1/5 of all the respondents, with 19.42% of those who were unemployed at the time of answering the survey saw no need to seek work. Despite the high unemployment rate, 69.65% of the respondents were not interested in improving their labor market situation.

3. Most respondents (66.54%) pointed to the need to organize training courses for those interested in setting up their own business. They suggested that the most useful courses would provide basic information on how to start their own company (95.91%).

4. Financial matters (providing sustenance for the family - 76.65%, money - 63.42%) were the factor that most strongly motivated the respondents, living in areas formerly dominated by state-owned farms, to start own business activity. Also, they suggested that public administration, in order to stimulate the economic activity of this population should offer direct financial support (38.18%) and organize training courses (36.96%).
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