

Conclusions

Regions in Poland as well as in Belarus have been responding differently to the opportunities and challenges that arose from the wider integration processes in Europe. Integration with the EU has been generally beneficial to the whole Polish economy and was a stimulus for faster economic growth in all the regions. Accession to the Union would probably increase the interregional disparities because the peripheral regions, located in the eastern part of the country, have not enough potential to catch up with the leaders. Also, those regions are not prepared to face increased competition in the EU Single market. The EU regional policy would not become a remedy for growing regional disparities. The equity-efficiency dilemma and contradictory political and economic considerations may impede the efficient allocation of EU money. In the optimistic scenario, the EU policies backed by the rational actions of the Polish government may soften the accession shock for the Polish periphery, but real convergence would be unlikely.

The impact of the EU enlargement on Belarusian regions would probably not be significant. Economic interdependence between regions in Belarus and the candidate countries is quite weak. Only the western regions that have closer links with Poland would be affected by the enlargement. This impact would be driven by the EU New Neighbourhood Policy, cross-border cooperation within euroregions, spillover from the Structural Funds allocations in north-east Poland, and the development of the cross-border infrastructure.

Belarus-Russia integration, unlike that of Poland and the EU, has been driven predominantly by political considerations. In general, integration with Russia has not produced any significant positive impact on Belarusian regions. Open borders with Russia brought about disadvantages for economic development in Belarus because they created trade diversion from more competitive and technologically advanced markets in Western Europe to the less competitive and less demanding Russian markets. “Easy” exports to Russia postponed the necessary structural

reforms in the state-owned Belarusian companies. Excessive participation of the state in the economy, including large subsidies and cross-subsidies to various industries, distort the concrete benefits and losses for the regions that resulted from the integration processes with the Russian Federation. Nonetheless, some indicators point out that the western Belarusian regions are better prepared to participate in European integration processes. If state intervention in Belarus decreases, those regions would have closer integration with the enlarged EU.