

HEALTH AND HUMAN CAPITAL IN THE PERSPECTIVE OF THE ESF IN POLAND

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Purpose: Human capital is one of the most important areas of intervention of the European Union's structural funds, with particular emphasis on the European Social Fund. And although the ESF instruments, as well as numerous interpretations of human capital, are dominated by issues related to knowledge, competence and professional suitability of a person, health is also there. As it turns out, however, issues related to health and their relationship with human capital are still a relatively unexplored issue. This is also reflected in the programming of the EU's structural policy in the area of human capital.

The aim of the article is to assess and summarize nearly twenty years of Polish experience in the use of ESF funds for improving health, as an element affecting the quality and competitiveness of human capital.

Design/methodology/approach: The article presents an analysis of the literature relating to the place and importance of health for human capital and support for this area within the framework of the structural and cohesion policy of the EU, implemented by the Structural Funds, with particular emphasis on the European Social Fund. In addition, the provisions of the basic strategic documents containing the assumptions for the implementation of the cohesion policy in Poland in subsequent EU budget periods in the years 2004-2020 were analyzed.

Findings: The assessment of health support in the context of human capital, presented in the article, concerns three successive, fully completed, EU budget periods, namely 2004-2006, 2007-2013 and 2014-2020. In subsequent budget periods, the basic problem areas in this area were defined and, as part of operational programmes, adequate measures in the field of health of Poles were proposed. In general, the issue of health in the perspective of the Structural Funds referred to the infrastructural approach, which is the domain of the ERDF. However, in the analysed period, a certain evolution can be seen from an infrastructural (also systemic) approach, which is the domain of the ERDF, to a more "soft" approach in the areas of ESF intervention.

Originality/value: The article contains one of the first studies on the link between health and human capital, which are the area of ESF support in Poland in the years 2004-2020.

Keywords: EU structural funds, European Social Fund, human capital, health.

Category of the paper: research paper, viewpoint.

1. Introduction

Human capital is one of the most important areas of intervention of the European Union's structural funds, with particular emphasis on the European Social Fund. And although the ESF instruments, as well as numerous interpretations of human capital, are dominated by issues related to knowledge, competence and professional suitability of a person, health is also there.

The Structural Funds are primarily aimed at levelling the playing field and increasing the competitiveness of individual EU regions, and human capital plays a significant role in this. The aim of the article is to assess the most important areas of ESF intervention in the area of health in the context of human capital in Poland in the first 20 years of its presence in the European Union. The analysis covers three successive, fully completed, EU budget periods, namely 2004-2006, 2007-2013 and 2014-2020. For nearly two decades, a system of support and implementation of its most important priorities, defined in operational programmes and implemented by institutions equipped with appropriate competences, has been created at the national and regional level.

The article presents an analysis of the literature relating to the place and importance of health for human capital and support for this area within the framework of the structural and cohesion policy of the EU, implemented by the Structural Funds, with particular emphasis on the European Social Fund. In addition, the provisions of the basic strategic documents containing the assumptions for the implementation of the cohesion policy in Poland in subsequent EU budget periods in the years 2004-2020 were analyzed.

2. Health as an element of human capital

The assumptions of the theory of human capital and the term human capital were formulated in the 1960s and for the first few decades it was mainly identified with formal education, in particular with education and time devoted to education. Over the years, the definitional capacity of human capital has expanded to include the aspect of physical health, with the assumption that good health is a basic condition for human life and well-being. Better educated people are characterized by a higher value of life expectancy and a higher level of satisfaction, and the risk of poverty and the likelihood of behaviors dangerous to health are on average lower than among people with lower education or no education. Diseases directly affect the reduction of economic activity of a given individual on the labor market and reduce their income (Klonowska-Matynia, 2019, p. 33).

Human capital is generally identified with the amount of knowledge, skills, health and vital energy contained in every person and society as a whole, determining the ability to work, adapt and change in the environment and the possibilities of creating new solutions (Nowicka, Ciekanowski, 2019, p. 79)

The most general, but at the same time the broadest definition of human capital states that it consists of people and their skills. Human capital defined in this way therefore includes all features that affect the productivity of an individual, including both education and intelligence, as well as innate abilities and connections that also affect our performance and work effects (Drela, Malkowska, Zieziula, 2020, p. 25).

The essence of human capital is individual competitiveness based on intellectual, motivational and symbolic resources (e.g. prestige). Indicators of these resources may include: education, professional experience, migration, and – less often taken into account by researchers: abilities (measured, for example, by intelligence tests) and physical health, as well as completely ignored mental well-being (Czapiński, 2008, pp. 4-5).

Health and well-being, especially in the context of the workforce, are one of the factors shaping human capital. A healthy workforce is a key factor in increasing labour market participation and productivity and increasing competitiveness at national and regional level. Good health conditions of the society lead to greater participation in the labor market and longer working life, higher productivity, and thus can serve lower health and social care costs (Annoni, Kozovska, 2010, p. 36-37).

The quality of human capital determining the development success of a region is determined by the following features: the dynamics of the regional population, the state of health expressed, among others, by the average life expectancy and infant mortality, the level of education of the population and, one might add, the quality of this education (Drela, Malkowska, Zieziula, 2020, p. 24).

The general picture is as follows: classically understood human capital (competences) differentiates the level of wealth of individuals more than the level of wealth of societies, especially in the group of highly developed countries. It is worth being better educated, healthier, more mobile and entrepreneurial than others in order to win the individual competition in the labour market economically. However, the social sum of these advantages does not guarantee a team victory in international competition (Czapiński, 2008, p. 7).

Human capital as a productive factor not only has the ability to achieve the assumed benefits for its owner and others, but also complementarily enables and increases the productivity of other resources. Human capital resources can be increased and enriched thanks to investments in the biological and intellectual potential of humans. Investments in the creation and development of human capital should be considered, m.in. expenditures on: education and further education, scientific research, services related to health care, affecting the length, strength and vitality of people, searching for information on the economic situation of companies and career prospects, displacement of people in order to find a better job (Maniak, 2011, p. 166-167).

3. Health in the perspective of the ESF and the competitiveness of the regions

One of the most important EU policies is cohesion policy. Its aim is to promote the harmonious development of the entire territory of the European Union through activities leading to the reduction of disparities in the levels of development of its regions, and thus to the strengthening of the economic, social and territorial cohesion of the Community. Thanks to the appropriate targeting of the activities implemented under the cohesion policy with the financial support of the Structural Funds and the Cohesion Fund, regions characterized by a lower level of development have a chance to make up for the development backlog and significantly accelerate the processes aimed at achieving convergence with other regions and countries of the Community (Poteralski, 2011a, p. 346).

Polish's accession to the European Union in 2004 was a breakthrough moment for the socio-economic reality, both for the entire country and its individual regions. One of the most important means of increasing the cohesion of Polish regions with the regions of the Community has become the Structural Funds, including in particular the European Social Fund (ESF) and the European Regional Development Fund (ERDF) (Poteralski, 2023, p. 127).

The European Social Fund (ESF), along with the European Regional Development Fund (ERDF), is one of the two most important structural funds of the European Union. The main areas to be supported by the fund are the labour market, the fight against poverty and the quality of human capital. In the era of intensive struggle against the problem of unemployment, issues such as improving managerial qualifications and ensuring high quality of management in both public institutions and business entities were pushed into the background (Poteralski, 2021, p. 89-90).

One of the most important goals of integration is to even out economic differences between the old members of the European Union and the countries newly admitted or aspiring to join the Union. The process of reducing differences was to take place through the Community Cohesion Policy and Regional Policy, whose most important tool of action was to be financial assistance provided for in the structural funds (Świrski- Czałbowska, 2007, p. 92).

Stimulating the growth of the region's competitiveness takes place through appropriate activities aimed at improving the quality of life in a given area, especially activities in such areas as environmental protection, education, safety and public health, as well as through activities stimulating economic activity – the development of SMEs, or creating an appropriate investment climate. Supporting small and medium-sized enterprises is considered to be one of the best ways to activate less developed regions (Stachowiak, Pyciński, 2001, pp. 11-13).

The importance of the role of human and social capital in the process of economic growth and building a competitive region is indicated by the results of numerous empirical studies. In the light of this research, it is the differences in the resources of endogenous factors

(including human and social capital) that determine the continuing differences in the levels of development of countries and regions. One of the fundamental tasks of regional policy is to stimulate the internal (endogenous) resources of the region (Drela, Malkowska, Zieziula, 2020, pp. 24-25).

The best equipment in human capital (saturation with highly qualified personnel) allows leading countries to be at the forefront in creating directions for the development of modern technology and civilization. The reduction in investment in people, manifested, among other things, in the reduction of expenditure on the national education system, on science and health care, allows us to express concern that the implemented economic policy lacks economic imagination and lack of responsibility for the future position of the Polish nation in the European and world family (Domański, 2000, pp. 39, 44).

The European Social Fund, which is the EU's main instrument for supporting and enhancing the competitiveness of human capital, therefore also provides for health-oriented initiatives to shape and enhance the quality of human capital in the Community's regions.

4. Health as an area of ESF intervention in Poland in 2004-2020

The use of funds under the EU structural funds in subsequent budget perspectives required the creation and agreement with the European Commission of a number of strategic and programme documents, both at the Community level as well as at the national and regional level. However, it can be assumed that in Polish conditions, the most important strategic documents at the national level were, respectively:

- in the years 2004-2006: the National Development Plan for the years 2004-2006 (NDP),
- in the years 2007-2013: the National Strategic Reference Framework (NCS- National Cohesion Strategy),
- in the years 2014-2020: Partnership Agreement (PA).

These documents were a synthetic approach to problem areas, defined priorities and areas of support, indicated operational programs, tools and institutions that were responsible for planning, implementing and managing these programs. Each of these documents formulates the main objective and specific objectives, supporting the achievement of the assumptions of cohesion policy support for the forecast budget period. These assumptions were the resultant of other strategic documents, setting out the directions and priorities of development for the coming years, both at the Community, as well as at the national and regional level. They were also the subject of negotiations between the Polish authorities and the European Commission (Poteralski, 2023a, pp. 172-173).

Table 1 presents the most important problem areas in the field of health in Poland in subsequent EU budget periods in the years 2004-2020 and, in synthetic terms, the scope of intervention of the structural funds, with particular emphasis on the ESF.

Table 1.

Problem areas in the field of health and the scope of ESF interventions indicated in the programming documents in the years 2004-2020

Financial perspective 2004-2006
<p>The main problem areas concerning health:</p> <ul style="list-style-type: none"> • lack of references to health and more broadly to human capital in general in NDP 2004-2006, • macroeconomic analyses, focusing on social issues such as: unemployment, age structure of the population, economic activity, unemployment, stratification of society (including poverty) and the risk of social exclusion. No references to health.
<p>Defined challenges for cohesion policy, including ESF interventions:</p> <ul style="list-style-type: none"> • Priority 2 of the NDP: Human Resources and Employment Development (HRD SOP: Sectoral Operational Programme Human Resources Development). No references to health. • Priority 5 of the NDP: Strengthening the development potential and regions and counteracting the marginalisation of certain areas (IROP: Integrated Regional Development Operational Programme, co-financed by both the ESF and the ERDF). No references to health. • in the area of labour resources, reference to their competitiveness, shaped by the general level of education and its structure, convergent with the structure of demand for labour, the ability to operate in e-communities, high professional and spatial mobility; ambition, activity, resourcefulness and honesty in the profession. No references to health.
Financial perspective 2007-2013
<p>The main problem areas concerning health:</p> <ul style="list-style-type: none"> • population health as one of the key factors of productivity and economic growth and an important determinant of the overall quality of life, • the need to take significant action in the field of health care infrastructure, reducing inequalities in access to health care medical infrastructure and increasing efficiency in health care systems through investments in ICT (information and communication technologies), knowledge and innovation, • problems related to the aging of the population, worse health of Poles, compared to the EU, as the cause of low employment rates of older people and professional absenteeism.
<p>Defined challenges for cohesion policy, including ESF interventions:</p> <ul style="list-style-type: none"> • Objective 2: Improving the quality of human capital and increasing social cohesion (Human Capital OP: Human Capital Operational Programme). • Objective 3: Construction and modernization of technical and social infrastructure, of fundamental importance for the growth of Polish competitiveness, aimed at activities in the field of health care, education and preservation of cultural heritage; (compliance with the following Community Strategic Guidelines: "attracting more people to the labour market and prolonging the labour market and modernising social security systems"; "supporting the maintenance of a good level of health of workers"; • more effective health policies to reduce absenteeism and early retirement, • development of a knowledge-based economy requiring increased investment in human capital, • supporting active ageing and early exit from work, • creating a modern health care system based on preventing health hazards through the health and safety of employees and filling gaps in the health infrastructure – especially in the context of the quality and availability of the services offered, • as a result of computerization of m.in. public services, implementation of e-economy, e-government, e-health and e-education, • support in maintaining a healthy workforce, which is a prerequisite for economic development; improving the civil protection and rescue system, including medical, prevention, primary and specialist medical care, and strengthening the promotion of a healthy lifestyle, • improving the knowledge and skills of medical staff, investing in health promotion and disease prevention; This, combined with ensuring access to health services, is intended to allow for early diagnosis of risks, reducing absenteeism and, in the long term, prolonging active participation in society; Raising workers' awareness of OSH should have a direct impact on productivity and competitiveness.

Cont. table 1.

Financial perspective 2014-2020
<p>The main problem areas concerning health:</p> <ul style="list-style-type: none"> • the persistently particularly low participation of older people in the labour market, • diseases of the skeletal system and the circulatory system, which are among the most common causes of problems on the labour market, including sickness absenteeism, • high percentage of unmet health needs due to long waiting times for the service, • inequalities and deficiencies in health care infrastructure as a serious barrier to access to health services.
<p>Defined challenges for cohesion policy, including ESF interventions:</p> <ul style="list-style-type: none"> • Thematic objective 2: "Enhancing the accessibility, use and quality of ICT" (ERDF). <ul style="list-style-type: none"> • Priority 2c: "Strengthening ICT applications for e-government, e-learning, e-inclusion, e-culture and e-health (ERDF). • Thematic objective 8: "Promoting sustainable and quality employment and supporting labour mobility" (ESF, ERDF). <ul style="list-style-type: none"> • Priority 8vi: "Active and healthy ageing" (ESF). • Thematic objective 9: "Promoting social inclusion and combating poverty" (ESF, ERDF). <ul style="list-style-type: none"> • Priority 9a: (ERDF) investments in health and social infrastructure that contribute to national, regional and local development, reducing health inequalities, promoting social inclusion through better access to social, cultural and recreational services, and transitioning from institutional to community-based services. • Priority 9iv: (ESF) facilitating access to affordable, sustainable and high-quality services, including health care and social services of general interest. • the need to significantly improve health conditions and promote active ageing among older people, • enabling the formation of proper habits in the field of healthy lifestyle, including physical activity (as an element of increasing the attractiveness of learning (education), but also an important element of health prevention), • professional activation of the unemployed, improvement of the adaptability of economically active people and enterprises, and improvement of the health of the labour force in order to increase the pool of labour resources, • counteracting professional inactivity caused by health through prevention, development of medical infrastructure and rehabilitation, as a necessity, especially in the process of prolonging the professional activity of older people.

Source: own elaboration based on: Polska. Narodowy Plan Rozwoju 2004-2006, Dokument przyjęty przez Radę Ministrów w dniu 14 stycznia 2003, Warszawa: styczeń 2003; Polska. Narodowe Strategiczne Ramy Odniesienia 2007-2013 wspierające wzrost gospodarczy i zatrudnienie, Ministerstwo Rozwoju Regionalnego, Warszawa 2007; Programowanie Perspektywy Finansowej 2014-2020. Umowa Partnerstwa, Ministerstwo Rozwoju, Warszawa 2015.

The data presented in Table 1 show that a strong emphasis on health issues, as an area of ESF intervention and their expected impact on the quality of human capital, was placed only in the last two EU financial perspectives. However, there is no doubt that health was mainly the subject of infrastructure support from the ERDF. In terms of ESF interventions, this support was generally complementary, and its importance in support programmes increased slightly in subsequent financial perspectives.

5. Conclusion

The experience of Poland and its regions in the use of EU structural funds includes 3 periods in which cohesion policy was planned and managed at the national and regional level. One of its elements was the involvement of the European Social Fund in improving the quality of

human capital from the level of individuals, through the regional dimension, to the national level.

Health was also one of the areas of support under the Structural Funds. In subsequent budget periods, the basic problem areas in this area were defined and, as part of operational programmes, adequate measures in the field of health of Poles were proposed. In general, the issue of health in the perspective of the Structural Funds referred to the infrastructural approach, which is the domain of the ERDF.

However, in the analysed period, one can see a certain evolution from the infrastructural (also systemic) approach, which is the domain of the ERDF, to a more "soft" approach in the areas of ESF intervention, which was also manifested by the perception of relationships not only between health and the quality of human capital, but also other spheres of socio-economic reality. It seems that this approach will be the biggest challenge for the EU's structural policy in the next financial perspectives, and the complementarity between the areas of ESF and ERDF support in the field of health will be an extremely important research problem for science.

Acknowledgements

Co-financed by the Minister of Science under the "Regional Excellence Initiative".



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