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## Converging Goals, Diverging Methods? LEADER and the Village Fund as Examples of Bottom-Up Governance in Rural Poland

### Introduction

The contemporary discourse on public governance, particularly in the context of regional and local development, is dominated by the bottom-up paradigm. At both the European Union level, which promotes the principles of subsidiarity and partnership, and within national policies, public participation is viewed not only as a democratic value in itself but also as a key factor in the effectiveness of development interventions. The shift from hierarchical government to multi-level, networked governance has become an established axiom in both academic literature and policy practice (Stoker, 1998; Rhodes, 2007; Torfing et al., 2012).

Against this backdrop, Poland constitutes a unique research laboratory on a European scale. Since the democratic transition of 1989, Poland has implemented various bottom-up governance mechanisms, but nowhere is this experimentation more pronounced than in its rural areas. Here two powerful, yet philosophically distinct, mechanisms operate in parallel. They both finance local development through social activation – in effect creating a natural experiment in competing democratic theories.

The first mechanism is the model promoted by the European Union, historically known as the LEADER approach (Liaison entre Actions de Développement de l'Économie Rurale). This philosophy, which emerged in the early 1990s as a pilot programme for rural development, has now evolved into the broader, multi-fund framework of Community-Led Local Development (CLLD). Its essence is the partnership principle, deeply embedded in the EU's governance philosophy. Decisions on the allocation of investment funds – ranging from several thousand to hundreds of thousands of euros per project – are not made by central administration or by individual citizens, but by tri-sectoral bodies known as Local Action Groups (LAGs). These bodies, composed of representatives from the public, economic, and social sectors, develop a multi-annual Local Development Strategy (LDS) through a process of deliberation. This model, rooted in the theories of deliberative democracy (Habermas, 1996; Cohen, 1989), subsequently funds projects selected by the LAG based on their compliance with that strategy and their potential for innovation and strategic impact.

The second mechanism represents a unique Polish solution – the Village Fund (VF), regulated by a specific parliamentary act (*Act on the Village Fund*, 2014). This instru-



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ment, which has grown from a grassroots experiment to a nationwide phenomenon, guarantees sołectwa the right to dispose of a dedicated portion of the municipal budget. It should be noted that sołectwa are not independent administrative units but auxiliary units (*jednostki pomocnicze*) of municipalities (*gminy*), whose creation is not obligatory under Polish law. The municipal council (*rada gminy*) decides whether to establish such units and determines the scope of their competences, which means villages operate within a framework ultimately defined by municipal authorities. According to 2025 data from the Polish Ministry of Internal Affairs and Administration, the fund operates in approximately 76.8% of eligible municipalities, with a total budget reaching 842 million PLN (approximately €195 million) in 2024 and projected to approach 1 billion PLN by 2026 (Ministerstwo Spraw Wewnętrznych i Administracji, 2025). The allocation of these funds is decided not by experts or partners, but directly by the residents at a village assembly (pl. *zebranie wiejskie*) through a simple, public vote. The Village Fund is thus a manifestation of participatory democracy in its purest form, drawing its legitimacy from the majoritarian will expressed in situ, reflecting the ideals of “strong democracy” as articulated by Barber (1984).

At first glance, both models appear to pursue a convergent goal: the empowerment of local communities and the implementation of the bottom-up principle. Both claim to address the democratic deficit in rural areas, both mobilize local resources and knowledge, and both promise to enhance social capital and civic engagement. However, a closer analysis reveals a fundamental divergence in their methods and underlying philosophies. This raises the central research question: Are the Village Fund and the LEADER/CLLD model complementary tools that can coexist within a pluralistic approach to local governance? Or do they represent contradictory, mutually exclusive philosophies that compete for the same democratic space?

This analysis must also consider the mediating role of municipal (*gmina*) and regional (*województwo*) authorities. In the case of the Village Fund, while citizens decide on spending priorities at village assemblies, the very existence of the fund depends on a resolution of the municipal council. Similarly, in the LEADER/CLLD model, regional self-governments (*samorządy województw*) serve as managing authorities that distribute EU funding and oversee LAG operations. This multi-level governance context shapes the practical functioning of both mechanisms and will be addressed in the comparative analysis.

In this article, I advance the hypothesis that although both models ostensibly pursue a shared aim – local empowerment – their methods diverge profoundly, embodying not just distinct instruments but irreconcilable democratic paradigms. This rift transcends procedural differences, rooted in antithetical theoretical lineages: the VF embodies participatory majoritarianism, prioritizing direct citizen sovereignty, whereas LEADER/CLLD institutionalizes deliberative and networked governance, privileging rational dialogue and multi-stakeholder collaboration.

Furthermore, this analysis must remain critical, acknowledging the practical limitations of both models. The idealized model of direct democracy represented by the village assembly must be confronted with its practical limitations, which include chronically low and selective turnout (Robinson, 2011, pp. 214–215; Abramowicz, 2011, pp. 198, 201, 204), potentially leading to dominance by better-organized or more

vocal groups and thus challenging its claim to represent the general will. Similarly, the deliberative ideal of LEADER must confront criticisms of elitism, bureaucratization, and the potential for capture by local power structures (Shucksmith, 2000, p. 215; 2010, pp. 8–10).

### **Theoretical Framework: Three Paradigms of Democratic Governance**

A comparative analysis of the Village Fund and the LEADER/CLLD model requires first embedding both mechanisms within broader theories of political science and public administration. Both models fit within the bottom-up paradigm that has dominated development discourse since the 1990s. But they offer fundamentally different answers to a key question: how should a local community articulate its will and make binding decisions about its future? This chapter defines the three key theoretical concepts that form the analytical framework for this study: (1) participatory democracy, (2) deliberative democracy, and (3) the shift from government to governance. These concepts are not merely abstract theoretical constructs but have been operationalized in specific institutional designs that shape how millions of rural residents across Poland engage with democratic processes.

The first theoretical model, providing the philosophical underpinning for the Village Fund, draws from the rich tradition of direct and participatory democracy. Its intellectual roots trace back to Jean-Jacques Rousseau's "The Social Contract" (1762), for whom the sovereignty of the people is inalienable and indivisible. In Rousseau's conception, the only legitimate expression of sovereignty is the 'general will' (fr. *volonté générale*), manifested through direct assembly where citizens gather not as representatives but as sovereign individuals. This tradition was kept alive through various historical experiments, from the New England town meetings to the Swiss cantonal assemblies, and has experienced a renaissance in contemporary democratic theory.

In contemporary thought, this concept is most notably advanced by Barber in his seminal work on "strong democracy" (Barber, 1984). Barber's critique of liberal representative democracy – which he characterizes as 'thin' democracy reduced to the periodic act of voting in elections – is particularly relevant to understanding the philosophy behind the Village Fund. Barber proposes instead continuous, universal, and direct citizen involvement in decision-making processes. In his vision, democracy is not merely a system for selecting leaders but a way of life that transforms passive subjects into active citizens. The act of participation itself becomes transformative: "Strong democracy is a distinctively modern form of participatory democracy. It rests on the idea of a self-governing community of citizens who are united less by homogeneous interests than by civic education and who are made capable of common purpose and mutual action by virtue of their civic attitudes and participatory institutions rather than their altruism or their good nature" (Barber, 1984, p. 117).

Carole Pateman's earlier work on participatory democracy (1970) provides additional theoretical grounding, particularly her argument that participation has an educative function. Through the very act of participating in decisions, citizens develop the skills, confidence, and sense of efficacy necessary for democratic citizenship

(Pateman, 1970, pp. 22–44). This educational dimension is crucial for understanding why proponents of the Village Fund view it not merely as a budgeting tool but as a school of democracy for rural communities that were historically excluded from meaningful political participation.

In the participatory view, legitimacy does not stem from the quality of debate or expert knowledge. It comes from participation itself – from the act of voting and aggregating individual preferences. The will of the majority, explicitly expressed, is the ultimate arbiter. This majoritarian logic assumes that citizens are the best judges of their own interests and that the collective wisdom of the assembled people, however imperfect, is superior to any expert judgment or deliberative process that excludes direct participation. As will be demonstrated in the empirical analysis, the Polish Village Fund, with its central institution of the village assembly where all residents can propose and vote on projects, represents an almost textbook attempt to implement this theory *in praxi*.

The LEADER/CLLD model starts from a diametrically opposed set of assumptions, finding its theoretical home in deliberative democracy. This paradigm, which emerged in the 1980s and 1990s as a response to both the perceived limitations of liberal representative democracy and the practical challenges of direct participation, is built on a different source of democratic legitimacy: it moves the focus from *voting* to *talking*. Its leading proponents, including Jürgen Habermas, Joshua Cohen, Amy Gutmann, and Dennis Thompson, fundamentally reconceptualize the democratic process. Gutmann and Thompson emphasize that deliberative democracy requires citizens to give one another reasons that are mutually acceptable and generally accessible (Gutmann, Thompson, 2004, p. 3–7). The process demands not merely discussion but justification through reasons that participants can reciprocally accept, even when they continue to disagree about the final decision.

Habermas's discourse theory of democracy, most comprehensively articulated in "Between Facts and Norms" (1996, p. 305–306), provides the philosophical foundation for understanding the LEADER model. In Habermas's conception, legitimate law and policy emerge not from the aggregation of pre-given preferences but from the process of rational deliberation in the public sphere. Central to this theory is the concept of communicative rationality – the idea that through unconstrained dialogue guided by the "unforced force of the better argument" (ger. *zwangloser Zwang des besseren Arguments*), participants can reach understanding and potentially consensus on matters of common concern.

Joshua Cohen's formulation of deliberative democracy (Cohen, 1989, pp. 18–24) provides a more institutionally focused framework that closely parallels the LEADER methodology. Cohen argues that legitimate decisions result from the deliberation of all affected parties under conditions of freedom and equality. His ideal deliberative procedure includes several elements that are directly reflected in the LAG structure: (1) deliberation is public and based on reasons that all could accept; (2) participants are formally and substantively equal; (3) deliberation aims at rational consensus but can settle for majoritarian decisions when consensus proves impossible; and (4) deliberation extends to the choice of topics and the agenda itself.

In this perspective, citizen preferences are not treated as fixed and given (as in the participatory model), but as malleable and subject to transformation through rational

discourse. The goal is not the simple aggregation of wills, but the achievement of consensus or, at minimum, a rationally motivated agreement that all participants can recognize as legitimate even if they disagree with the outcome. The quality of the decision emerges from the quality of the deliberation that produces it.

The deliberative model addresses several critiques of direct democracy: the problem of uninformed preferences, the tyranny of the majority, and the difficulty of achieving coordination in complex policy areas. By requiring that decisions be justified through public reasoning, deliberative democracy promises to produce not just democratically legitimate but also epistemically superior outcomes. The LEADER model, with its requirement to build multi-sectoral partnerships (LAGs) and jointly create a multi-annual strategy (LDS) as the basis for project evaluation, represents an institutional attempt to implement precisely this discursive ideal. Here, a decision is not 'voted through' by a show of hands but 'worked out' through sustained dialogue among diverse stakeholders.

The third concept, crucial for understanding the logic of the European Union's interventions in local development, concerns the transformation of governing itself – the shift from government to governance. This paradigm shift, extensively theorized since the 1990s, represents more than a change in administrative techniques; it constitutes a fundamental reconceptualization of how public policy is made and implemented in complex, pluralistic societies.

Gerry Stoker's influential work (Stoker, 1998, pp. 17–26) defines governance as a paradigm shift from hierarchical, state-centric government to networked, multi-actor governance. This new model is characterized by several key features: (1) the blurring of boundaries and responsibilities between public, private, and voluntary sectors; (2) the power dependence and ongoing interactions between organizations; (3) game-like interactions rooted in trust and regulated by rules negotiated and agreed by participants; (4) a significant degree of autonomy from the state; and (5) the recognition that government does not occupy a sovereign position but can only imperfectly steer networks.

R. A. W. Rhodes's conceptualization of governance as self-organizing, inter-organizational networks (Rhodes, 1997; 2007, pp. 1247–1249) provides additional theoretical depth. Rhodes argues that governance networks are characterized by interdependence between organizations, continuing interactions between network members, game-like interactions rooted in trust, and a significant degree of autonomy from the state. These networks, he contends, resist government steering, develop their own policies and mold their environments. This understanding is particularly relevant for analyzing how LAGs function as semi-autonomous governance networks that mediate between EU institutions, national governments, and local communities.

The work of Torfing et al. (Torfing et al., 2012, pp. 166–174, 30–32) on interactive governance further elaborates this framework, emphasizing how governance networks can enhance both the effectiveness and democratic quality of public governance. They argue that governance networks can mobilize distributed knowledge, foster innovation through collaboration, and enhance implementation through stakeholder buy-in. However, they also acknowledge the democratic challenges: the problem of accountability in networked arrangements (Torfing et al., 2012, pp. 133, 207–208), the risk of capture

by powerful interests (pp. 29–30, 136), and the tension between effectiveness and inclusiveness (Torfing et al., 2012, pp. 203–204, 233–234).

The European “Partnership Principle,” which forms the foundation of Cohesion Policy and programs like LEADER/CLLD, represents a direct implementation of this governance philosophy. As articulated in successive EU regulations, most recently in the Common Provisions Regulation (EU) 2021/1060, the partnership principle requires that EU funds be programmed and implemented through multi-level, multi-actor partnerships. The EU does not impose solutions hierarchically; rather, it mandates the creation of bottom-up, networked structures to manage the development process locally. According to the European Commission’s LEADER/CLLD toolkit, LEADER was introduced “in response to the failure of traditional, top-down policies to address problems faced by many rural areas in Europe,” engaging “the energy and resources of people and local organizations as development actors rather than beneficiaries” (European Commission, 2025, p. 2).

LEADER is therefore not just a ‘program’ but a mechanism for institutionalizing governance at the local level. It creates what Jessop (Jessop, 2007, pp. 240–242) calls “metagovernance” – the governance of governance – by establishing the rules and frameworks within which local governance networks operate. This demonstrates how deeply the model is embedded in contemporary, networked philosophy of management, which stands in stark contrast to the classic, assembly-based model of direct democracy represented by the Village Fund.

This understanding of metagovernance is also consistent with Torfing et al. (Torfing et al., 2012, pp. 30–32), who argue that contemporary governance networks cannot function without some form of meta-coordination. In their view, metagovernance involves designing institutional frameworks, facilitating interaction, and shaping the normative and procedural environment within which networks operate. The EU’s role in LEADER/CLLD exemplifies this: rather than implementing projects directly, it structures the governance arena through rules, criteria, funding mechanisms, and partnership principles. In this sense, LEADER represents not only participatory governance but simultaneously a case of multi-level metagovernance.

### **Research Methodology: Comparing Ideal Types**

This article is theoretical and analytical in nature, employing qualitative comparative analysis to examine two distinct public governance philosophies institutionalized as the Village Fund and the LEADER/CLLD model. To compare these philosophies, I draw on Max Weber’s concept of “ideal types” (Weber, 1949) to facilitate a systematic comparison between fundamentally different institutional logics. This approach allows for the abstraction of essential characteristics from the empirical complexity of thousands of village assemblies and hundreds of Local Action Groups operating across Poland.

Weber’s ideal type methodology provides a particularly appropriate framework for this analysis because it allows for the comparison of phenomena that, while superficially similar (both claiming to be “bottom-up” and “participatory”), operate accord-

ing to fundamentally different logics. The ideal type is not meant to describe reality in its full empirical richness but rather to provide a conceptual benchmark against which reality can be measured and understood. As Weber (Weber, 1949, p. 90) explains, “An ideal type is formed by the one-sided accentuation of one or more points of view and by the synthesis of a great many diffuse, discrete, more or less present and occasionally absent concrete individual phenomena, which are arranged according to those one-sidedly emphasized viewpoints into a unified analytical construct.”

In this study, the VF and LEADER/CLLD are treated as ideal types representing, respectively, the pure logic of participatory democracy and deliberative governance. This means the analysis focuses not on the full empirical diversity across thousands of Polish *sołectwa* and Local Action Groups, with all their local variations and hybrid practices, but on their model assumptions, institutional logics, and underlying philosophies as derived from their legal frameworks and theoretical foundations.

To keep the analysis systematic and avoid superficial comparisons, I use a clear analytical framework. It includes five comparative dimensions:

1. Genesis and Philosophy: From which theoretical traditions does each model originate? What are the underlying assumptions about human nature, collective decision-making, and the common good?
2. The Demos – Key Decision-Making Body: Who constitutes the decision-making body *de jure* and *de facto*? How is membership determined – through universal residence, self-selection, or structured representation?
3. Mechanism of Decision-Making: How is collective will transformed into binding decisions? Through preference aggregation via voting, strategic deliberation, or expert assessment?
4. Role of the ‘Ordinary’ Citizen: What position does an individual resident occupy in the process? Are they direct decision-makers, applicants, stakeholders, or beneficiaries?
5. Strategic Horizon and Nature of Actions: What is the typical temporal scope and character of financed interventions? Are they oriented toward immediate needs or long-term strategic development?

This framework enables the analysis to move beyond surface-level observations about both models being “participatory” or “bottom-up” to reveal their fundamental philosophical divergences.

Several limitations of this methodology should be acknowledged:

First, the ideal type approach necessarily abstracts from local variations and hybrid practices. In reality, some village assemblies may engage in substantial deliberation before voting, and some LAGs may be more responsive to direct citizen input than the ideal type suggests.

Second, the analysis is primarily based on documentary sources and does not include primary empirical research such as participant observation or interviews. This limits insights into how these mechanisms actually function in practice versus how they are designed to function.

Third, the focus on Poland as a case study, while providing a unique natural experiment, may limit the generalizability of findings to other national contexts with different administrative traditions and civic cultures.

Despite these limitations, the ideal type methodology provides valuable insights into the competing logics of local democracy and their institutional manifestations, contributing to both democratic theory and practical policy debates about rural development.

### The Village Fund: Direct Democracy in Practice

The Village Fund represents a unique institutionalized mechanism of participatory democracy. An analysis of the VF as an ideal type requires understanding not only its legal framework and financial scale but also the democratic philosophy that legitimizes its central institution – the village assembly – and the practical challenges this model faces in implementation.

The Village Fund emerged from a bottom-up initiative rather than top-down policy design, reflecting its participatory ethos from inception. The mechanism was first introduced experimentally in 2009 through amendments to the Act on Municipal Self-Government, allowing municipalities to voluntarily allocate funds for *sołectwa* to manage independently. The success of these early experiments led to the formalization of the mechanism through the dedicated Act of 21 February 2014 on the Village Fund.

The 2014 Act established the VF's unique 'obligatory-facultative' nature, a legal construction that reflects the delicate balance between local autonomy and central support. While a municipality's council retains discretion over whether to create the fund (the facultative element), once established, the municipality is obligated to execute the spending plans enacted by village assemblies and receives partial reimbursement from the state budget (the obligatory element). This reimbursement mechanism – ranging from 20% to 40% depending on the municipality's wealth – provides crucial incentive for adoption while respecting local self-government. These requirements demonstrate that village assemblies, while sovereign in their decision-making process, operate within a framework defined by municipal authorities, highlighting the auxiliary status of *sołectwa* within Poland's administrative structure.

The central institution of the VF, and the core of its democratic character, is the village assembly (*zebranie wiejskie*). This institution has deep historical roots in Polish rural governance, dating back centuries, though its current democratic form emerged only after 1989. In accordance with participatory theory, it is this assembly of all eligible residents that acts as the sovereign decision-maker. The law grants exclusive competence to pass resolutions on the VF budget to the assembly – not to the village leader (*sołtys*), the village council (*rada sołecka*), or any body of experts.

The assembly operates on principles of direct democracy that would be familiar to Rousseau, attendees of New England town meetings, or participants in the Swiss *Landsgemeinde*. These institutional forms share a commitment to face-to-face deliberation, collective decision-making and citizen sovereignty expressed directly rather than through representatives. Any resident of the *sołectwo* who has reached the age of majority can participate, speak, and vote. Meetings are announced publicly in advance, typically held in the village common room, school, or fire station. The agenda is open – residents can propose any project that, in accordance with Article 2(6) of the

Act, cumulatively meets three conditions: it falls within the municipality's own tasks, serves to improve the quality of life of the inhabitants, and is consistent with the municipality's development strategy.

But there's a gap between the *de jure* ideal of popular sovereignty and its *de facto* practice. Research on participation in village assemblies consistently points to the problem of low and selective turnout. Empirical studies, such as the case study conducted by Abramowicz (2011, pp. 198, 201, 204) in the Łódzkie region, confirm this challenge. Both village administrators (*sołtysi*) and residents surveyed in the study declared that turnout at these key decision-making meetings is typically "significantly below 10%" of eligible residents. This finding is corroborated by my own recent research (e.g., an analysis of assembly protocols from various municipalities from 2024 and 2025), which confirms this very low level of participation, often falling to just a few percent<sup>2</sup>.

Moreover, recent legal scholarship has highlighted persistent tensions between the legislative framework and practical implementation of the village fund. Bryła (2025, p. 88) identifies three critical areas where municipal authorities' practices may undermine the VF's democratic character: improper application of fund increase provisions (favoring selected villages over equal treatment), imposing additional formal requirements beyond statutory minimums on village assemblies, and mayors' unauthorized interference in municipal councils' substantive evaluation competencies. These practices, while not always stemming from flawed legislation itself, demonstrate how administrative interpretation can restrict the very participatory rights the fund was designed to protect.

This empirical reality echoes Robinson's (Robinson, 2011, pp. 214–215) findings from New England town meetings. He documented similar patterns of chronically low turnout, noting that in a typical assembly of 1,300 eligible voters, "rarely do many more than a hundred citizens attend." Robinson further observes that attendance typically begins with 75–100 adults, may peak at around 125 by midday, but then "tapers off sharply, until there are typically around twenty-five or thirty citizens present to support a motion for adjournment" (p. 215). This confirms the challenge of demographic skewing, as Robinson notes that those who stay away include "the elderly or disabled" and others "distracted by personal concerns" or who "lack the temperament for communal decision making" (p. 216). The 'general will' that Rousseau envisioned thus becomes, in practice, the will of an active minority – those with the time, motivation, and social capital to participate.

The problem of low turnout is not merely a technical issue but strikes at the heart of participatory democracy's legitimacy claims. If only 10% of residents attend the assembly, can its decisions truly claim to represent the village's general will? This challenge is compounded by social dynamics within small communities, where personal relationships, family ties, and local power structures can influence participation and voting patterns in ways that formal democratic theory does not adequately address.

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<sup>2</sup> This empirical note draws on the author's separate pilot analysis of village-assembly protocols and turnout records obtained from selected municipalities via Poland's Public Information Bulletin portals (Biuletyn Informacji Publicznej, *BIP*) and standard public-information requests. The material is exploratory and not the primary focus of this theoretical article; a broader empirical study will follow in the next phase of the project.

The decision-making logic of the VF is explicitly majoritarian, reflecting its roots in participatory rather than deliberative democratic theory. The process is designed not for Habermasian deliberation aimed at consensus but for the efficient aggregation of preferences through voting. While discussion certainly occurs – residents present their proposals, explain their benefits, and may debate alternatives – the ultimate arbiter is the arithmetic majority of those present.

A typical assembly follows a structured but straightforward process:

1. Opening and verification of quorum.
2. Presentation of the available budget and legal constraints.
3. Submission and presentation of project proposals by residents.
4. Discussion of proposals (time often limited due to practical constraints).
5. Voting on proposals, typically by show of hands.
6. Formal adoption of the fund resolution.

This mechanism stands in stark contrast to the multi-stage, expert-driven, deliberative process of the LEADER model. The VF process is rapid, transparent, and provides participants with immediate agency – their raised hand translates directly into a public financial decision. There are no complex application forms and no scoring matrices. The democratic legitimacy derives from the directness of the process itself, not from the quality of deliberation or strategic alignment.

The majoritarian logic, however, creates its own challenges. Projects that benefit concentrated interests may prevail over those providing diffuse benefits. A proposal to renovate the road used by several farming families may defeat a proposal for youth programs that would benefit all children but lack organized advocacy. The assembly may prioritize visible, immediate improvements over less tangible but potentially more impactful social investments.

The VF's mechanism – an annual budget cycle combined with relatively modest sums per *solectwo* – determines the specific character of projects financed. Research shows that the fund is used primarily as a tool for quick response to the most urgent current needs of the local community, including repairs to local technical and social infrastructure, minor investment projects, and retrofitting community centers and village halls.

The analysis of the Village Fund expenditures across different regions consistently reveals three main, coherent categories of projects. The dominant share of spending goes toward Infrastructure Improvements, encompassing both routine repairs (e.g., maintenance of unpaved rural roads and construction of bus shelters) and minor investments (installation of modern street lighting, procurement of playground equipment, and renovation of common spaces like village squares and green areas). The second significant category is community integration activities, focused on building social cohesion through the organization of village festivals, harvest celebrations, Children's Day events, senior citizen meetings, and supporting local traditions and sports tournaments. The third, supplementary category is equipment and materials, allocated for purchasing equipment for village common rooms, tools for volunteer fire brigades, and resources needed for community self-help projects and educational-recreational purposes.

The planning horizon is decidedly short-term, rarely extending beyond the current year. These projects, while vital for building local identity and bonding social capital, rarely possess strategic, innovative, or transformative character. The VF does not fund

business incubators, comprehensive training programs, or strategic infrastructure that might fundamentally alter the village's development trajectory.

This pattern reflects both the structural constraints of the mechanism (modest budgets, annual cycles) and the revealed preferences of direct democracy. When given unmediated control over public resources, citizens tend to favor visible, immediate, and broadly beneficial improvements over complex, long-term investments with uncertain returns. This is not necessarily irrational – fixing the road that everyone uses daily may provide more immediate welfare gains than funding an experimental social program – but it does limit the fund's transformative potential.

The Village Fund serves as an almost laboratory-perfect implementation of participatory democracy theory. It fulfills Barber's call for a "strong democracy" by placing power directly in the hands of citizens gathered in assembly (Barber, 1984). This generates several democratic dividends:

- Legitimacy through Directness: Decisions enjoy high legitimacy among participants because they directly made them. There is no democratic deficit, no sense that distant elites are imposing decisions.
- Civic Education: As Pateman predicted, participation educates (Pateman, 1970). Even with low turnout, thousands of rural residents have learned to prepare proposals, present arguments, and engage in collective decision-making.
- Social Capital Formation: The assembly and subsequent project implementation build bonding social capital within the village, strengthening social ties and collective efficacy.
- Responsive Governance: The fund addresses real, felt needs of communities. Projects may be modest, but they respond directly to local priorities.
- Simultaneously, the model empirically exhibits all the classic challenges of participatory theory:
- The Participation Paradox: Those who most need empowerment – the poor, young, marginalized – are least likely to participate, while those with existing social capital dominate proceedings.
- Tyranny of the Active Minority: With typical turnout often falling to just a few percent, decisions reflect the preferences of the engaged few rather than the general will.
- Short-term Bias: Direct democracy tends toward immediate consumption over long-term investment, limiting strategic development potential.
- Potential for Conflict: Majoritarian decision-making in small communities can exacerbate social divisions, particularly when resources are scarce and needs compete.

### **The LEADER/CLLD Model: Governance Through Partnership**

The European model, historically known as LEADER and now expanded as Community-Led Local Development (CLLD), represents the ideal type of a partnership-based, deliberative approach to local development. It is a mechanism deeply embedded in the philosophy of governance, standing in methodological and philosophical contrast to the majoritarian logic of the Village Fund.

The LEADER initiative was launched by the European Commission in the early 1990s as a pilot programme for rural development, with its acronym deriving from the French phrase “Liaison Entre Actions de Développement de l’Économie Rurale” (Links between activities for the development of rural economy). Its philosophy was revolutionary from the outset: instead of the traditional, sectoral, and top-down transfer of funds that had characterized European regional policy, it proposed an integrated, territorial, and partnership-based approach (Ray, 2006, p. 278).

Crucially, this philosophy has been expanded and deepened in recent programming periods. In the 2014–2020 period, the LEADER methodology was adopted as the basis for the broader Community-Led Local Development (CLLD) mechanism, allowing Member States to use up to four different ESI Funds: EAFRD, EMFF, ERDF, and ESF. This evolution strengthens the hypothesis that the partnership and deliberative model is the EU’s preferred paradigm for local governance, not merely a sectoral intervention for rural areas.

As of 2025, approximately 2,894 Local Action Groups (LAG Database) operate across the European Union, covering around 60% of the rural population. In Poland specifically, the model has been widely adopted, with LAGs covering most rural territories and managing hundreds of millions of euros in development funds across multiple EU funding streams.

Table 1  
LAGs Distribution Across EU Member States (2025)

Country	Number of LAGs	Population (millions)	LAGs per 1 million inhabitants
1	2	3	4
Lithuania	93	2.9	32.1
Estonia	34	1.4	24.3
Slovakia	110	5.4	20.4
Latvia	37	1.9	19.5
Slovenia	38	2.1	18.1
Croatia	68	3.9	17.4
Czechia	180	10.9	16.5
Romania	259	19.0	13.6
Finland	65	5.6	11.6
Bulgaria	72	6.4	11.3
Hungary	103	9.5	10.8
Poland	324	36.5	8.9
Austria	77	9.2	8.4
Luxembourg	5	0.7	7.1
Portugal	74	10.7	6.9
Ireland	36	5.4	6.7
Greece	69	10.4	6.6
Spain	284	49.1	5.8
Denmark	32	6.0	5.3
Malta	3	0.6	5.0
Sweden	50	10.6	4.7

Germany	348	83.6	4.2
1	2	3	4
Cyprus	4	1.0	4.0
Italy	235	58.9	4.0
Belgium	32	11.9	2.7
Netherlands	20	18.0	1.1

**Source:** Author’s own calculations based on data from the Local Action Groups Database (LAG Database) and Eurostat population data (2025). Accessed 2 November 2025.

This widespread adoption is confirmed by empirical data from the 2007–2013 programming period. During this time, the number of Local Action Groups in Poland grew significantly from 149 in the pilot phase to 337. These groups collectively implemented over 41,500 projects with a total value of PLN 3.37 billion, demonstrating the significant financial and institutional scale of this mechanism (Biczkowski, 2020, pp. 235, 239).

This distribution reveals a paradox: while Poland has the third-highest absolute number of LAGs in 2025 (324), its LAG density per capita (8.9 per million) places it in the middle range, far below smaller countries like Lithuania or Estonia. This may explain why the indigenous Village Fund emerged to fill gaps in local participatory governance.

The central actor in the LEADER/CLLD model is not an open assembly of residents, but a formalized, tri-sectoral partnership – the Local Action Group (LAG). This represents the key philosophical distinction from the Village Fund. While the VF bases legitimacy on the direct participation of the demos, LEADER bases it on the structured representation of stakeholders.

EU regulations precisely define the composition and governance of LAGs. The Common Provisions Regulation stipulates that neither the public sector nor any single interest group may hold more than 49% of voting rights in the LAG’s decision-making body. This requirement ensures that LAGs must include meaningful representation from: the public sector (local governments and public institutions), the private sector (entrepreneurs, farmers, local businesses), and the civil society sector (NGOs, community organizations, citizens’ groups).

The LAG is thus an attempt to institutionalize a Habermasian ‘public sphere’ where representatives of diverse interests forge a common vision through deliberation. The demos here is filtered, representative, and – in the non-pejorative sense – elitist, composed of local leaders, professionals, and those with the capacity and inclination to engage in complex, long-term planning processes.

The governance structure of a typical LAG is composed of several interconnected bodies. At its core stands the General Assembly, which includes all members and meets at least once a year to approve strategic decisions and elect the governing bodies. The ongoing operational leadership is exercised by the Board or Decision-Making Body, a smaller group that convenes regularly to make programmatic and financial decisions. Day-to-day coordination is ensured by the Technical Staff, consisting of professional employees responsible for administration, project management and communication. In addition, many LAGs establish Thematic Working Groups, which bring

together stakeholders around specific sectors, priorities or issues and serve as arenas for consultation and expert input. Finally, the Monitoring Committee performs oversight functions, reviewing performance, ensuring compliance with procedural standards, and evaluating progress toward strategic goals.

This structure enables sustained, professional engagement with development challenges but also creates distance between ordinary citizens and decision-making processes. A resident cannot simply show up and vote; they must either be selected as a representative or engage through formal application procedures.

The decision-making process in the LEADER/CLLD model is fundamentally different from the VF's direct voting. It is two-phased, strategic, and explicitly designed to promote deliberation over aggregation:

- Phase 1 – Strategic Deliberation: The primary act is not voting on specific projects but collectively creating and adopting a Local Development Strategy (LDS). This multi-annual document (typically covering 5–7 years) is theoretically the product of extensive consultation and deliberation. The LDS development process typically involves:
  - 1) socio-economic analysis of the territory;
  - 2) SWOT analysis and needs assessment;
  - 3) public consultations (workshops, surveys, focus groups);
  - 4) deliberation within the LAG on priorities and objectives;
  - 5) definition of specific objectives, indicators, and selection criteria;
  - 6) financial planning and allocation across priorities;
  - 7) Formal adoption by the LAG assembly.

This is where deliberative democracy ideals are most clearly operationalized. The “force of the better argument” should prevail as stakeholders debate what kind of development their territory needs. The strategy must demonstrate how it will address identified needs through an integrated approach that links different sectors and creates synergies.

- Phase 2 – Expert Assessment: Once the strategy is approved, implementation follows a professionalized project cycle:
  - 1) Call for Proposals: The LAG announces funding opportunities aligned with LDS priorities;
  - 2) Application Process: Potential beneficiaries prepare detailed project proposals;
  - 3) Technical Verification: LAG staff check eligibility and completeness;
  - 4) Expert Assessment: Projects are scored against predetermined criteria by trained assessors;
  - 5) Committee Decision: The LAG board makes final selections based on scores and strategic fit;
  - 6) Contracting and Monitoring: Selected projects receive contracts with specific obligations.

The citizen participates here not as a sovereign decision-maker but as an applicant whose proposal undergoes rigorous assessment. This process emphasizes quality, innovation, and strategic alignment over popular preference. A project that would easily win majority support at a village assembly might score poorly in LAG assessment if it lacks innovation or strategic impact.

The LEADER/CLLD model is, by definition, strategically oriented and long-term focused, designed to generate innovation and added value rather than address immediate needs. This orientation flows directly from several structural features. Unlike the SF's annual cycle, LEADER operates on multi-annual programming periods with multi-year strategies, enabling long-term planning. Individual projects can receive tens or hundreds of thousands of euros, enabling transformative investments rather than minor improvements. Selection criteria typically prioritize innovative approaches, new solutions, and demonstration effects. Finally, projects should create linkages between sectors and actors, generating multiplier effects.

The analysis of projects implemented under the LEADER/CLLD model in Poland reveals a profile markedly different from the initiatives financed by the Village Fund, focusing instead on strategic and transformative actions. The main investment areas include Economic Development, such as support for business start-ups and incubation, the creation of value-added agricultural processing facilities, the development of tourism infrastructure and marketing, investments in renewable energy, and digital transformation initiatives. Significant emphasis is also placed on Human Capital, which manifests in professional training and skills development programs, youth entrepreneurship programs, social inclusion initiatives, leadership development, and the transfer of knowledge and innovation. A third key category is Strategic Infrastructure, comprising multi-village service centers, the revitalization of cultural heritage sites with economic potential, environmental infrastructure with development impact, and the deployment of broadband and digital infrastructure.

Furthermore, a crucial distinguishing feature of the LEADER model are actions oriented toward Cooperation and Networking, including inter-territorial cooperation projects, transnational partnerships, innovation networks, and marketing collaborations. These interventions are explicitly developmental – designed to alter the territory's economic trajectory rather than simply improve current conditions. They require sophisticated planning, professional management, and sustained implementation over multiple years. The LEADER/CLLD model represents a sophisticated attempt to operationalize deliberative democracy and networked governance at the local level. It generates several governance benefits. The LDS ensures that individual projects contribute to a coherent vision rather than representing disconnected initiatives. Expert assessment and technical support improve project quality and likelihood of success, while the emphasis on innovation and demonstration effects can catalyze broader changes beyond individual projects. LAGs link local initiatives with regional, national, and European strategies and resources. The partnership model also builds bridging social capital – connections across sectors and social groups that create valuable networks for development.

However, the model faces significant democratic challenges that mirror broader critiques of governance and deliberative democracy. Despite rhetoric of participation, ordinary citizens have limited direct influence on decisions, and the partnership model can feel distant and technocratic. LAGs risk becoming dominated by local elites with the time, skills, and resources to engage in complex planning processes – the same individuals often occupy multiple leadership positions.

This observation is strongly supported by nationwide quantitative studies on the Polish LEADER implementation. Research confirms that the public sector (local gov-

ernment) dominates LAG structures, often because public administration is best prepared to handle the complex procedures. This dominance translates into outcomes, with local governments and their subordinate cultural institutions emerging as the biggest beneficiaries of funding, particularly for infrastructure projects. Biczkowski (2020) identifies this public-sector dominance, a common feature in post-socialist countries, as one of the “biggest weaknesses” of the LEADER programme in Poland.

- Bureaucratization: The emphasis on procedures, criteria, and documentation can overwhelm the developmental purpose. Small organizations struggle with application requirements;
- Consensus Bias: The deliberative ideal of consensus can suppress legitimate conflicts and minority views. Power asymmetries within partnerships may be masked by apparent agreement;
- Implementation Gap: The distance between strategic planning and local reality can result in projects that look good on paper but fail to address real needs.

Comparative Analysis: Two Philosophies in Contrast

Having analyzed both mechanisms as distinct ideal types, we now turn to their direct comparison. This confrontation, structured by the analytical framework established in the methodology, reveals that while the Village Fund and the LEADER/CLLD model share declarative goals and vocabulary, their operational philosophies are fundamentally divergent, representing competing visions of democratic governance.

Table 2 summarizes the key differences between the two models across the five analytical dimensions established in the methodology. This comparative framework illustrates how seemingly similar “bottom-up” mechanisms embody fundamentally different democratic philosophies.

Table 2

Comparative Framework – Village Fund vs. LEADER/CLLD

Dimension	Village Fund (VF)	LEADER/CLLD
Genesis & Philosophy	Participatory democracy (Rousseau, Barber) Direct citizen control	Deliberative democracy (Habermas, Cohen) Partnership governance
The Demos (Decision-Making Body)	All residents at village assembly Universal participation	Tri-sectoral partnership (public, private, social) Structured representation
Mechanism of Decision-Making	Majoritarian voting Preference aggregation Direct democracy	Deliberative assessment Strategic alignment Expert evaluation
Role of ‘Ordinary’ Citizen	Direct decision-maker Sovereign participant Immediate agency	Applicant/stakeholder Through representation Mediated participation
Strategic Horizon & Nature of Actions	Annual/immediate Responsive (roads, festivals, equipment) Bonding social capital	Multi-year/strategic Developmental (business incubators, training) Bridging social capital

Source: Author’s analysis based on Weberian ideal-type methodology.

This fundamental divergence is visible even in the misleading, superficially similar use of the word ‘strategy’ in both models. In the LEADER/CLLD model, the creation of the strategy (the Local Development Strategy) is the primary, internal act of deliberative self-determination. In the Village Fund, ‘strategy’ (in this case, the municipality’s development strategy) is not the product of the assembly but an external, top-down constraint on its majoritarian will. What in one model is an act of creation and the very foundation of its action, in the other is merely a pre-existing boundary condition.

At first glance, both the VF and LEADER/CLLD seem to have the same goals. They are presented as bottom-up instruments – meant to apply the principle of subsidiarity, empower local communities, and stimulate civic activation. Both claim to address the democratic deficit in rural areas, mobilize local resources and knowledge, and enhance civic engagement. In both cases, the stated objective is “better” local development, driven by those who know local conditions best.

This apparent convergence is reinforced by similar rhetoric in policy documents. Both mechanisms speak of “participation,” “empowerment,” “local ownership,” and “bottom-up development.” Both are contrasted with traditional top-down approaches and presented as democratic innovations that give voice to previously marginalized rural communities. If analysis were limited to stated objectives and policy discourse, one might conclude the models are complementary tools in the same democratic toolbox.

However, this convergence is illusory. The profound divergence becomes apparent not in the what (the goal) but in the how (the method and philosophy). The models provide fundamentally different answers to core questions of democratic governance:

1. Who Constitutes the Legitimate Decision-Making Body?
  - VF: The assembled residents in their sovereign capacity,
  - LEADER: The structured partnership representing stakeholder interests.
2. What Legitimizes Decisions?
  - VF: The majoritarian will directly expressed through voting,
  - LEADER: The quality of deliberation and strategic alignment.
3. What Role Do Citizens Play?
  - VF: Direct decision-makers exercising sovereign power,
  - LEADER: Stakeholders participating through representation or as applicants.
4. What Temporal Horizon Guides Action?
  - VF: Immediate needs and annual improvements,
  - LEADER: Strategic development over multi-year periods.
5. What Types of Knowledge Are Valued?
  - VF: Local, experiential knowledge of residents,
  - LEADER: Professional, technical expertise integrated with local knowledge.

The divergence is perhaps most clearly illustrated in how each model interprets the central concept of ‘bottom-up’ development: In the Village Fund, ‘bottom-up’ is understood in its most literal sense – decisions flow upward from the assembled people. The village assembly represents the “bottom” of the political system, and its decisions are sovereign within the allocated budget. There is no filter between citizen preference and public decision. This interpretation trusts that the people, however imperfectly assembled, are the best judges of their own needs. Even if their decisions are subopti-

mal from an expert perspective, they are legitimate because they are truly theirs. In the LEADER/CLLD model, 'bottom-up' is interpreted as local initiation within a structured framework. The "bottom" is not the unmediated citizenry but the local partnership that emerges from civil society, business, and government. Ideas flow upward, but through institutional channels that shape, refine, and assess them. This interpretation assumes that raw citizen preferences need deliberation and expert assessment to become good public policy.

These competing interpretations reflect deeper philosophical differences about human nature and collective decision-making. The VF embodies an optimistic, Rousseauian view of citizen capacity – people know what they need and can make good collective decisions if given the chance. LEADER reflects a more skeptical, arguably Madisonian view – citizen input is valuable but requires institutional mediation to produce good outcomes.

The models also diverge fundamentally on what constitutes meaningful participation: The VF prioritizes quantity – maximizing the number of people who can directly influence decisions. Even with low turnout, any resident can attend the assembly and cast a decisive vote. This pattern of low civic engagement is consistent with broader research on post-communist societies, where decades of authoritarian rule have left lasting deficits in social capital and participatory culture (cf. Trutkowski, Mandes, 2005; Bugno-Janik, 2023). The quality of deliberation may be limited by time constraints and social dynamics, but the directness of participation is paramount. Democratic legitimacy derives from the opportunity for all to participate, even if few actually do. LEADER prioritizes quality – ensuring that participation is informed, sustained, and deliberative. Fewer people participate directly in LAG decisions, but those who do engage in extensive consultation, analysis, and strategic planning. Democratic legitimacy derives from the quality of the deliberative process and the representativeness of the partnership structure, even if this limits direct participation.

This trade-off between breadth and depth of participation represents a classic dilemma in democratic theory. The VF achieves broader potential participation but shallower engagement; LEADER achieves deeper engagement but narrower participation. Neither model successfully achieves both, suggesting fundamental limitations in institutionalizing democratic ideals.

The temporal orientation and types of projects funded reveal perhaps the starkest contrast: The VF responds to immediate, felt needs – the broken road, the deteriorating bus shelter, the desire for a harvest festival. These projects may seem trivial from a developmental perspective, but they address daily frustrations and build community cohesion. The short-term focus reflects both structural constraints (annual budgets) and the revealed preferences of direct democracy. LEADER funds strategic investment – the business incubator, the tourism marketing campaign, the skills training program. These projects may not address immediate frustrations but promise longer-term transformation. The strategic focus reflects both structural features (multi-annual programming) and the professional orientation of partnership governance.

This divergence suggests that the models are not simply different means to the same end but pursue fundamentally different visions of development. The VF enables

communities to improve their current condition; LEADER aims to transform their future trajectory. Both are valuable, but they are not substitutes.

Drawing on Putnam's (Putnam, 2000, pp. 21–23) distinction between bonding and bridging social capital provides another lens for understanding the models' divergence: The VF builds bonding social capital – strengthening ties within the relatively homogeneous village community. The assembly brings neighbors together, projects create shared experiences, and success builds collective efficacy. This bonding capital is crucial for community resilience and mutual support but may also reinforce insularity and resistance to change. LEADER is designed to build bridging social capital – creating connections across diverse sectors and social groups. Its partnership structure pushes actors toward collaboration, even if they would not normally interact. This bridging capital, while harder to create and maintain, is essential for accessing external resources and opportunities. As Granovetter demonstrated, it is often these “weak ties” that provide pathways to development (Granovetter, 1973).

The models thus generate different types of social resources that communities need for development. The VF strengthens internal cohesion; LEADER builds external connections. Again, this suggests complementarity rather than substitution – communities need both types of social capital for sustainable development.

This core divergence in their interpretation of ‘bottom-up’ can thus be framed using established theoretical terms: the Village Fund represents a classic participatory or purely endogenous model, while LEADER/CLLD is a textbook example of a partnership-based, neo-endogenous model (De Rubertis, 2020, p. x; Cejudo, Navarro, 2020).

### **Critical Reflections: Democratic Ideals Meet Rural Realities**

Both the Village Fund and LEADER/CLLD models, when subjected to critical scrutiny, reveal significant gaps between their theoretical ideals and practical realities. These gaps are not merely implementation failures but reflect fundamental tensions in democratic governance that become particularly acute in rural contexts characterized by demographic decline, economic marginalization, and social transformation.

The VF's practical challenges go beyond low turnout to reveal deeper contradictions in participatory democracy. Research consistently shows that those who most need empowerment – young people, minorities, the economically marginalized – are least likely to participate in village assemblies. The active participants tend to be those with existing social capital: property owners, retirees with time, and those embedded in local networks. This creates a self-reinforcing cycle where public resources flow to those already advantaged.

Ethnographic observation reveals that what appears as democratic deliberation often masks predetermined outcomes. Village leaders (*sołtys*) and informal power brokers frequently negotiate decisions before the assembly, which merely ratifies what has been arranged. The public vote provides democratic legitimacy to essentially oligarchic decisions. This echoes Mansbridge's findings from Selby town meetings, where “fears of conflict in face-to-face assembly” led participants to avoid open disagreement and instead seek predetermined consensus (Mansbridge, 1983, pp. 149–162).

In small communities where everyone knows everyone, social dynamics profoundly shape participation. Those with education, speaking skills, and social standing dominate discussions, while others self-censor, knowing they must live with their neighbors regardless of the vote's outcome. The assembly may be open, but it is not truly equal.

Many *sołectwa* also lack the administrative capacity to effectively utilize even modest SF budgets. Preparing proposals, managing procurement, and ensuring compliance with regulations requires skills that may be scarce in declining rural communities. This leads to underutilization of funds or reliance on municipal administrators, undermining local ownership.

Finally, the majoritarian logic and social dynamics of village assemblies tend toward conservative choices – maintaining existing facilities rather than innovative initiatives, supporting established organizations over new groups, and avoiding controversial projects that might divide the community. This limits the fund's transformative potential.

The LEADER model's challenges reveal the limitations of deliberative democracy and networked governance. What began as an innovative, flexible approach has become increasingly proceduralized. LAGs spend enormous time on compliance, documentation, and audit preparation. The European Committee of the Regions, in its 2025 opinion on post-2027 LEADER/CLLD programming, has emphasized the crucial need to simplify access to EU funding and procedures, noting that excessive administrative burden can overwhelm the developmental purpose (European Committee of the Regions, 2025). The focus shifts from development outcomes to procedural correctness.

Despite requirements for broad partnership, LAGs often feature the same individuals occupying multiple roles across different organizations. The “partnership” may be diverse on paper but represents a narrow local elite in practice, and new voices struggle to enter these established networks.

The ideal of rational deliberation confronts the reality of power asymmetries, predetermined positions, and strategic behavior. Stakeholders come to LAG meetings with fixed interests rather than open minds. “Consensus” often means that weaker parties acquiesce to stronger ones' preferences rather than reaching genuine agreement through dialogue.

The professionalization and complexity of LEADER also creates distance between ordinary citizens and decision-making. Citizens cannot simply propose ideas at a meeting but must navigate complex application procedures, develop business plans, and demonstrate strategic alignment. This favors those with grant-writing skills or resources to hire consultants.

Finally, while LEADER emphasizes innovation, the reality of public fund management creates risk aversion. LAGs favor “safe” projects from established organizations over genuinely innovative but risky initiatives. The fear of audit criticism leads to conservative interpretation of rules.

Both models operate within a specific Polish context that shapes their performance: 1) *Post-Socialist Legacy*: Poland's rapid transition from state socialism affects both models. The VF's direct democracy confronts lingering expectations of state paternalism and limited experience with collective self-governance. LEADER's partner-

ship model must overcome distrust of formal organizations and limited tradition of cross-sector collaboration. 2) Rural Transformation: Polish villages face dramatic demographic and economic changes – youth exodus, restructuring of the agricultural sector (with consolidation of farms and declining agricultural employment despite Poland's position as a major EU food exporter), and integration into global markets. Neither model fully addresses these structural challenges, though the reasons differ in each case. The VF lacks the scale for transformative intervention; LEADER lacks the local embedding to address social disintegration. 3) EU Integration Dynamics: Poland's relationship with the EU creates complex dynamics. LEADER is sometimes perceived as a "Brussels" imposition despite its local implementation. The VF, as a purely Polish institution, generates more ownership but lacks connection to broader resources and networks. 4) Political Instrumentalization: Both mechanisms become entangled in partisan politics. Municipal authorities may manipulate VF processes for electoral advantage, while LAG leadership positions become political prizes. This politicization undermines their democratic and developmental purposes.

The parallel implementation of these contrasting models in Poland provides rare empirical evidence about the limits of institutional design in achieving democratic ideals: 1) Context Matters More Than Design: Both models' performance depends more on local social capital, leadership quality, and economic conditions than on their institutional features. A well-functioning VF in a cohesive village may outperform a captured LAG, while a professional LAG may achieve more than a conflicted village assembly. 2) Democratic Trade-offs Are Inescapable: The comparison reveals that institutional design cannot escape fundamental democratic trade-offs – between participation and deliberation, inclusion and efficiency, local knowledge and expertise, immediate responsiveness and strategic planning. Choosing one model means accepting its inherent limitations, as the comparison between VF and LEADER demonstrates. 3) Hybrid Practices Emerge: In practice, the sharp distinction between models blurs. Some village assemblies engage in substantial deliberation before voting; some LAGs conduct extensive public consultations that approach direct participation. Local actors adapt institutional frameworks to local conditions, creating hybrid practices that transcend ideal types. 4) Power Relations Persist: Power asymmetries shape both mechanisms, though in different ways (see Conclusions).

### **Conclusions: Toward a Pluralistic Understanding of Local Democracy**

This comparative analysis of the Village Fund and LEADER/CLLD models in rural Poland provides both empirical insights into specific institutional mechanisms and theoretical contributions to understanding democratic governance. The findings challenge the notion – common in EU policy debates – of universal 'best practices' in participatory development.

The central research question asked whether the VF and LEADER/CLLD represent complementary tools or contradictory philosophies of governance. The analysis demonstrates that they are both – contradictory in their philosophical foundations and operational logics, yet potentially complementary in their developmental functions.

The models are fundamentally at odds because they represent entirely different answers to core democratic questions. They operate according to logics that simply cannot be reconciled – majoritarian versus deliberative, direct versus representative, immediate versus strategic. These differences are not technical details that could be harmonized but reflect different visions of human nature, collective decision-making, and the common good. An institutional designer must choose between them; they cannot be simply combined.

Yet the models may be complementary in addressing different developmental needs and building different democratic capacities. The VF addresses immediate needs and builds bonding social capital; LEADER enables strategic development and builds bridging capital. The VF offers accessible democratic participation. LEADER, in turn, provides more sophisticated governance experience. In practice, communities may need both to sustain development.

This analysis contributes to democratic theory in several ways. Rural Poland provides a unique laboratory where participatory and deliberative democratic theories are simultaneously implemented at scale, and the findings reveal both the possibilities and limitations of translating theoretical ideals into institutional practice.

The study confirms and extends understanding of participation paradoxes. Direct democracy (SF) achieves formal inclusion but practical exclusion of marginalized groups, while deliberative democracy (LEADER) achieves quality deliberation but limited participation. No institutional design escapes these paradoxes.

The LEADER case reveals how governance networks, despite their theoretical advantages, tend toward bureaucratization and elite capture when institutionalized. The flexibility and innovation promised by governance theory confronts the rigidity required by public accountability.

The analysis also confirms that democratic engineering has its limits. Both models ultimately fail to transcend existing social hierarchies, demonstrating that new democratic institutions tend to operate within established power relations rather than fundamentally altering them.

Finally, the comparison illustrates that ideal types appear only approximately in empirical reality.

For policymakers and practitioners, several implications emerge. Different communities need different democratic mechanisms depending on their social capital, capacity, and development challenges – policy should enable diverse approaches rather than mandating single models. The trade-offs discussed earlier cannot be eliminated and should be recognized explicitly. The two mechanisms are best understood as functionally complementary rather than interchangeable. Both models' limitations often reflect capacity constraints rather than design flaws, and investment in civic education, facilitation skills, and administrative capacity could improve their performance. Finally, neither model can substitute for addressing rural areas' structural challenges – demographic decline, economic marginalization, infrastructure deficits. Democratic participation without resources and opportunities becomes an empty ritual.

This theoretical analysis opens multiple avenues for empirical research. Longitudinal studies could examine how communities with active SF or LAG participation develop over time compared to those without, assessing the long-term economic,

social, and political impacts of each model. Deep ethnographic investigation of decision-making processes could reveal how power operates, how preferences form, and how democratic ideals translate into practice. Comparative analysis could explore how these models perform in other national contexts with different administrative traditions and civic cultures, since Poland's specific history may limit generalizability. Systematic study of communities that creatively combine or adapt both models could identify innovative democratic practices that transcend their limitations. Finally, research on democratic learning could examine how participation in one model affects capacity for the other – whether SF participation prepares citizens for LAG engagement, and whether LAG experience enhances village assembly deliberation.

The parallel operation of the Village Fund and LEADER/CLLD in rural Poland represents more than a policy experiment – it highlights fundamental tensions in democratic thought and practice. As rural areas worldwide face similar challenges of demographic decline, economic transformation, and democratic deficits, the Polish experience offers valuable lessons.

Neither participatory nor deliberative democracy, neither direct assemblies nor governance partnerships, provide complete solutions to rural democratic challenges. Each approach generates specific benefits and faces inherent limitations. The future of rural democracy likely lies not in choosing between these models but in developing pluralistic approaches that combine their strengths while acknowledging their weaknesses.

The Polish case suggests that rural democracy requires both the immediate responsiveness and popular legitimacy of direct participation and the strategic capacity and network connections of partnership governance. Communities need mechanisms for addressing immediate needs and planning long-term transformation, for strengthening internal cohesion and building external linkages, for expressing authentic local preferences and engaging with professional expertise.

This comparison suggests that institutional design, while important, cannot substitute for the broader conditions that enable democratic governance. Social capital matters. So does civic capacity, economic opportunity, and political culture. These are the foundations on which any democratic mechanism – whether participatory or deliberative – must ultimately rest. The most sophisticated democratic mechanisms will fail without these foundations, while even imperfect institutions can serve democratic purposes when these conditions exist.

The continuing experiment of parallel democratic models in rural Poland thus offers not a template for replication but an invitation for reflection on the possibilities and limitations of democratic governance in an era of rural transformation. As policymakers and communities worldwide grapple with similar challenges, the Polish experience reminds us that democratic development requires not singular solutions but plural approaches adapted to diverse contexts and needs.

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### Summary

This article presents a comprehensive theoretical analysis of two competing philosophies of local governance operating simultaneously in rural Poland: the Village Fund (VF), representing direct participatory democracy, and the LEADER/CLLD approach, embodying deliberative partnership-based governance. Despite both mechanisms’ declarative pursuit of bottom-up development and local empowerment, this study demonstrates their fundamental philosophical divergence. The study uses a Weberian ideal-type methodology for comparison. It shows that although both models pursue local activation, they do so through profoundly different methods rooted in conflicting democratic traditions. The VF puts into practice Barber’s “strong democracy” through its majoritarian village assemblies, while LEADER/CLLD can be seen as the institutional expression of Habermasian deliberative democracy through tri-sectoral partnerships. This divergence extends beyond technical differences to represent competing answers to fundamental questions about legitimate decision-making, the nature of the demos, and the role of citizens in public governance. The article contributes to democratic theory by analyzing how these competing paradigms perform in practice, revealing both their theoretical limitations and potential complementarity within a pluralistic approach to local development.

**Key words:** participatory democracy, deliberative democracy, Village Fund, LEADER, CLLD, Poland, rural development

## **Zbieżne cele, rozbieżne metody? Program LEADER i Fundusz Wiejski jako przykłady zarządzania oddolnego na obszarach wiejskich w Polsce+**

### **Streszczenie**

Niniejszy artykuł przedstawia kompleksową analizę teoretyczną dwóch konkurujących ze sobą filozofii samorządności lokalnej, funkcjonujących jednocześnie na polskiej wsi: Funduszu Sołeckiego, reprezentującego bezpośrednią demokrację partycypacyjną, oraz podejścia LEADER/CLLD, ucieleśniającego deliberatywne zarządzanie oparte na partnerstwie. Pomimo deklaratywnego dążenia obu mechanizmów do oddolnego rozwoju i lokalnego upodmiotowienia, niniejsze badanie ukazuje ich fundamentalną rozbieżność filozoficzną. W badaniu do porównania wykorzystano weberowską metodologię typów idealnych. Pokazuje ona, że chociaż oba modele dążą do lokalnej aktywizacji, robią to za pomocą głęboko odmiennych metod, zakorzenionych w sprzecznych tradycjach demokratycznych. FS realizuje w praktyce „silną demokrację” Barbera poprzez swoje większościowe zgromadzenia wiejskie, podczas gdy LEADER/CLLD można postrzegać jako instytucjonalny wyraz habermasowskiej demokracji deliberatywnej poprzez partnerstwa trójsektorowe. Ta rozbieżność wykracza poza różnice techniczne i stanowi konkurencyjne odpowiedzi na fundamentalne pytania dotyczące prawomocnego podejmowania decyzji, natury demos i roli obywateli w zarządzaniu publicznym. Artykuł wnosi wkład do teorii demokracji poprzez analizę praktycznego funkcjonowania tych konkurujących paradygmatów, ujawniając zarówno ich ograniczenia teoretyczne, jak i potencjalną komplementarność w ramach pluralistycznego podejścia do rozwoju lokalnego.

**Słowa kluczowe:** demokracja partycypacyjna, demokracja deliberatywna, Fundusz Sołecki, LEADER, CLLD, Polska, rozwój obszarów wiejskich

### **Author Contributions**

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Data curation (Zestawienie danych): Krzysztof Duda

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