

On the beginning of his rules Edward Gierek promised the rapid economic growth and higher standard of living for the people. Inflow of the western credits and the investment boom supported the economic growth. Besides the new investments central authorities implemented the structural reforms. The government created the “socialist concerns”, so called Large Economic Organizations. The western funds and the new institutional reforms produced not only the changes in the management system, but also influenced on the role of the main players in the economy – representatives of economic administration, managers and the local party officials, who supervised the regional economy in the name of the ruling party.

Polish United Working Party (PUWP) and its structures played a special role in the communist Poland. The party and the apparatus were the highest authority supervising all other organizations in the state, including economic bureaucracy. However scholars examining the management system in the economy focused mainly on the relations between different levels of the economic administration – ministries, associations of enterprises and managers of the factories. The importance of local party apparatus in the supervision of the economy was examined very rarely. The proposed project will fulfill this gap. Our objective is to examine methods of conduct of local party apparatus and to name and present major strategies employed by local party officials in the supervision of the economy. We want also to examine if new institutions (introduced by Gierek) led to changes of behaviors and strategies of the local party apparatus members.

Our project is one of the first attempts in Poland which applies the new institutional economics in the studies of the management system in the centrally planned economy. In our researches of the local party officials' activity in the economy we apply the model based on the positive agency theory. Using this approach we will analyze the archival materials of the voivodeship committees in Warsaw, Katowice and Lublin and the documents of economic administration – ministries and associations of enterprises.

The results of the project should lead to the better understanding of the evolution of economic system in the time of state socialism in Poland and its influence on the post-communist period. The changes caused by the institutional innovations and inflow of capital, as pointed political scientist and sociologists, promoted groups of interests related to the different branches and regions. These changes had the impact on the transition process after 1989. Particularly, the phenomenon of *nomenklatura* privatization and the strong position of former party-state administration in the post-communist economy is at least partially rooted in the process of institutional evolution of party and state administration that happened in 1970s.