

The fact that there is a financial market and the local government has the ability to independently create companies and other legal persons, naturally implies the question of admissibility and the merits of the creation and functioning of local financial institutions. Such institutions, like other financial institutions provide financial services, but have a "self-government" in nature because of the fact that they are created by local governments or local governments are shareholders (shares). This character also results from the restricting the scope of business of such financial institutions - they must support the public tasks of a local nature. The aim of the project is to establish and comprehensive explanation of how local governments create financial institutions as well as an explanation, from the perspective of legal science and economics, as such institutions are functioning.

Research conducted under a grant will depend on describing and analyzing regulatory and economic phenomena in order to determine the boundaries and forms creation and functioning of the financial institutions. You will also need to examine whether there is reasons for the creation of such institutions, and what are the economic consequences of their creation. It is planned that the study will be divided into several closely related stages. First there's the detailed analysis of the legal and economic boundaries of creation and functioning of local financial institutions. This will be the starting point for the research aiming to identify the range of possible forms of conduct by local government units of activity in the financial market. A natural extension of the results obtained, will be analyze the economic motives and the effect of creation local financial institutions. Research in the field of legal science will rely on the legal dogmatic method which is based on the analysis of legal sources of local financial institutions (eg. The Constitution, EU directives, laws), court decisions (eg. The judgments of the Supreme Court, the Supreme Administrative Court) and the available literature Polish and foreign. Beside the standard interpretation of linguistic, systematic and teleological are also planned to carry out a historical interpretation (relating to the already outdated sources of law) and comparative (ie. consisting in comparison of legislation of various countries). In turn, the economic research will focus on the analysis and effects of the creation of local financial institutions by local governments from the European Union and in Poland. Then you will be make a synthesis of the results of research and a summary of the legal and economic solutions, which functioned in the past in Poland and are now in other European Union countries. Grant will be finished by the development of the theoretical framework of the economic model of the legal establishment and operation of local financial institutions The last step will be disseminated research results.

So far, the issue of local financial institutions has not been the subject of research in the field of law and economics. The execution of such research fills this gap and will make an important contribution to the study of local government finances and banking. Particularly important will be to develop the theoretical framework model of legal and economic establishment and operation of local financial institutions. Significant will also determine the limits within which local governments can be involved in activities with the use of such institutions. The results of research carried out under the project may also provide a basis for further basic and applied research. Not to overestimate it is also the possibility of awakening expert discussion on functioning of the local government in the financial market.