# SGI Sustainable Governance Indicators 2011

Poland report Claudia Matthes, Radoslaw Markowski, Frank Bönker



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# **Executive Summary**

Early parliamentary elections in October 2007 ended two turbulent years in Poland and brought in a new government. The center-right Civic Platform (PO) benefited from the dissatisfaction with the political style of Prime Minister Jarosław Kaczyński and President Lech Kaczyński (both Law and Justice, PiS) and was able to form a government with the agrarian Polish People's Party (PSL). Led by Prime Minister Donald Tusk, the new government has operated fairly smoothly. However, it faced a hostile president who made heavy use of his veto powers.

Under the new government, the quality of democracy has improved. The new government showed more respect for the freedom of media, the independence of the judiciary, civil rights and political liberties. Compared to its predecessor, it has also paid more attention to the fight against discrimination, most notably by re-establishing the office of a Plenipotentiary for Equal Treatment. Less progress was made with the fight against corruption. Fearing the charge of not being sufficiently tough on corruption, the government did not dare to reform the Anti-Corruption Office (Centrale Biuro Antykorupcyjne, CBA), a controversial agency created by the previous government.

As for economic and social policies, the Tusk government had a slow start. Following a year of drift, it launched an ambitious reform program in October 2008. While the government's health care reform was blocked by the president, it succeeded in limiting the scope for early retirement, privatizing a number of companies, increasing Poland's attractiveness for foreign investors, cutting personal income tax rates and increasing public research funding. The government also reacted relatively swiftly to the international financial crisis. In part because of the Tusk government's policies, Poland in 2009 was not only one of the few developed countries that did not experience a fall in GDP in 2009, but actually recorded the highest GDP growth among OECD countries for the same year.

The Tusk government has been fairly successful in foreign policy. It has succeeded in improving the relationship with Germany and Russia and in ending its isolation in the EU. However, Poland's international role suffered from strong controversies between the government and President Kaczyński over the competencies for foreign affairs. These conflicts delayed the signing of the Lisbon Treaty and created some uncertainty about the Polish position on the

international scene. A 2009 decision of the Constitutional Court strengthened the position of the government, but did not end the controversies.

The executive capacity of the Tusk government benefited from a number of institutional reforms. The government improved its planning capacities by establishing a Board of Strategic Advisers in the government office. It has strongly relied on scholarly expertise and has succeeded in improving inter-ministerial coordination by the government office and senior ministry officials. Unlike the previous government, it has pursued a more inclusive approach and has largely refrained from intervening in the affairs of subnational governments.

At the end of the period under review, the tragic death of President Kaczyński and 87 other politicians and other representatives of public life in Smolensk shattered Poland. The fact that the resulting vacancies were filled smoothly without mitigating the institutions' capacity to act underlines the consolidation of the institutional system.

# Strategic Outlook

The tragic death of President Kaczyński has changed the political scene in Poland. The necessary early presidential elections in June 2010 made Bronisław Komorowski (PO) the new president, thus ending a period of "divided government." As a result, the government's room to maneuver has increased, and the conflicts between prime minister and president over the competencies in foreign affairs that weakened Poland's international position have ended. Less clear are the medium-term effects on party competition and the party system. Ever since the Smolensk accident, the Law and Justice (PiS) party has oscillated between taking a more conciliatory and a more polarizing position as internal rifts grow.

The end of "divided government" should make it easier for the Tusk government to continue its reforms. Two overdue reforms that were vetoed by President Kaczyński are the overhaul of party financing and the reform of the public media. In order to further improve the quality of democracy, the fight against discrimination and corruption must be intensified, and the lower tiers of the court system must be improved. One might also think of amending the rules for selecting justices of the Constitutional Tribunal.

While the Polish economy has recently done relatively well, there are

important challenges in the medium run. The most prominent one is arguably budget consolidation. A sound fiscal policy is needed in order to relieve the country's dependency on privatization revenues and EU funds, meet the debt ceilings of the constitution, and formulate a credible strategy for euro zone entry. Consolidating the budget in the medium- and long-term will require raising further the actual retirement age as well as the official retirement age for women. In addition to fiscal and pension reform, other policy challenges exist. Health care reform has fallen victim to President Kaczyński's veto powers and needs to be relaunched. Research and innovation, education, female labor market participation, environmental issues and the integration of migrants have received insufficient attention so far. Progress in these areas is needed if Poland is to achieve sustainable economic growth and not be deemed "a one-year tiger" (Balcerowicz).

The Tusk government has succeeded in improving interministerial coordination. The main challenges in the field of executive capacity are thus strengthening regulatory impact assessments (RIA), introducing measures to improve public sector personnel, and redefining the role of the president. While RIA have improved, there is still considerable room for further progress, particularly in identifying the very need for regulations and considering alternative options. Public sector personnel professionalism would benefit from improved training, the introduction of performance-related pay and less politicization in appointments. The Polish president's veto rights constitute the most delicate issue to be addressed. As the experience of the Tusk government shows, these rights are ambiguously defined and bear a strong potential for deadlock in the context of divided government. For the time being, the requisite parliamentary majority needed in order to redefine the president's constitutional role does not exist. Should the PiS' position weaken, however, amending the constitution might become an issue in the next parliamentary term.

# Status Index

# I. Status of democracy

# Electoral process

Registration procedures are fair and transparent. There are different requirements for registering candidates and parties with the National Electoral Commission for established parties (i.e., those already represented in parliament and having at least 15 MPs, which is the minimum number to form a parliamentary club) as opposed to new parties and non-party candidates. Unlike the former, the latter need to document 5,000 supportive signatures in at least half of the national constituencies. This requirement creates some barriers to electoral participation, especially for non-party candidates, but has not really stifled competition. In order to prevent a discrimination of ethnic minorities, parties representing such minorities can take part in the elections when they gather the required signatures in five different constituencies only.

The pluralist media system in Poland ensures that all parties and candidates have access to the media. Even after the 2007 change in government, however, the public media have tended to favor the conservative PiS. This especially applies to TVP1, the main public television program, which has a broad audience. New and small parties also suffer from the fact that the Polish media pays a disproportionately large amount of attention to the big political actors.

The electoral process is largely inclusive. Unlike in other countries, prisoners are allowed to vote. Some confusion is caused by different voting procedures for presidential, parliamentary and local elections. However, the main problem is the lack of absentee voting, which creates problems for the large number of Polish citizens living outside Poland as well as for the handicapped or seriously ill. The former often have to travel long distances to a Polish embassy or consulate if they want to vote; the latter often cannot vote at all. Moreover, many polling stations are not accessible to the handicapped. Part of the problems have been addressed by new legislation in November 2009, which enables handicapped people and people over 75 to vote through a plenipotentiary and obliges the municipalities to improve the accessibility of polling stations.

Media access Score: 7

Candidacy

procedures

Score: 10

Voting and registrations rights Score: 9

Introduced in 2001, the new Polish system of party financing provides for a high level of public funding while setting relatively strict limits on the private financing of parties. The system has made party financing more transparent, contributed to a decline in corruption, and strengthened those parties that cannot rely on assets from the communist period (Walecki 2005). The restrictions on private donations are sometimes circumvented and the National Election Committee (Państwowa Komisja Wyborcza – PKW), which supervises campaign and party financing, could be more effective. The main problem with the system, however, is the algorithm upon which the allocation of public funds is based. It favors the bigger parties and pushes up public spending when the concentration of the party system increases (Zbieranek 2009). The resulting surge in overall public support for parties from PLN 36 million in 2003 to PLN 107 million in 2008 has not gone well with the general public. A 2008 proposal by the governing PO to abolish the public support for parties and give citizens the right to donate part of their income tax payments to parties of their own choice instead did not find a majority. Instead, parliament passed a bill submitted by the leftist Democratic Left Alliance (SLD) that aimed at reducing the overall amount of public money given to political parties. However, this bill was vetoed and sent to the Constitutional Court by President Kaczyński.

Citation:

Walecki, Marcin, 2005: Money and Politics in Poland. Warszawa: Instytut Spraw Publicznych.

Zbieranek, Jarosław, 2009: System finansowania partii politycznych w Polsce - kierunki zmian. Instytut Spraw Publicznych, Analizy i Opinie No. 91, 3-8.

#### Access to information

Under the Tusk government, government influence on the media has declined. Reporters without Borders registered a substantial increase in press freedom and ranked Poland 19 positions higher in 2009 than in 2007. In December 2008, parliament removed a controversial passage in the penal code that had punished libel with time in prison. The reform of the electronic media, which still show a strong bias in favor of the PiS, has been subject to greater controversy Rumor has it that the government was involved in a coup at the National Council of Radio and Television at the end of 2008, which resulted in the suspension of the PiS-leaning leadership of public television and, at the same time, made director of TV Polska a representative of a right-wing fringe party with dubious credentials. In May 2009, the governing

Media freedom Score: 8

Party financing Score: 8

coalition adopted a new media law which aimed at changing the composition of the National Council, but also expanded the powers of the council vis-à-vis journalists. Due to President Kaczyński's veto, however, the reform has not been enacted yet.

Citation:

Reporters without Borders, Press Freedom Index (http://en.rsf.org/information-tools,803.html).

Media pluralism Score: 7 Poland is among the European countries with the highest market share of public television. However, the overall ownership structure of Polish media is quite diversified. Private electronic and print media compensate for biases or deficiencies in public media, thus providing for a high degree of media pluralism. Foreign ownership declined in 2008 when media mogul Rupert Murdoch withdrew from TV Puls, a television channel that offers programming on Catholic issues. A major, yet-to-be-tackled challenge for media pluralism is the disastrous financial situation of the public media. Less than 50% of all Poles pay the license fees that comprise almost half of TV Polska's revenues. In August 2009, TV Polska announced mass layoffs, which are likely to reduce the quality of its programs. The public radio stations also face severe revenue problems.

Access to gvmt. information Score: 8 The law provides for far-reaching access to government information. However, citizens are often not aware of their rights and have so far made little use of them. If citizens do request information, public bodies often respond too late. The Commissioner for Citizens' Rights, the Polish ombudsman, has called for greater transparency, arguing that the right to information should be given priority over protecting the privacy of public officials.

# Civil rights

State institutions largely respect and protect civil rights. However, the protection of civil rights suffers from inefficiency in the Polish court system and the resulting lengthy proceedings. Sometimes, minority rights also fall victim to the presence of strong informal social control in small localities, which is encouraged by the conservatism found among the lower clergy strata of the Polish Catholic Church. The Tusk government has demonstrated greater respect for civil rights than its predecessor. One controversial issue has been the treatment of pedophiles. Prime Minister Tusk publicly denied them the status of human beings, and the Sejm passed a law in September 2009 allowing for chemical castration of convicted pedophiles.

Civil rights

Score: 7

Political liberties Political liberties are well codified, and are respected and protected by Score: 9 most state institutions. There are no meaningful restrictions on the freedom of association or assembly, and the freedom of expression is also secured. However, President Kaczyński showed a certain disrespect for political liberties, most notably by questioning the right of homosexuals to hold a gay parade.

Non-discrimination Compared to its predecessor, the Tusk government has paid more Score: 7 attention to the fight against discrimination. In particular, it reestablished the Plenipotentiary for Equal Treatment, a position that had been abolished by the previous government. However, Poland has not yet implemented the EU anti-discrimination directive, and the European Commission lodged a complaint against Poland at the European Court of Justice in May 2009 for not implementing three EU directives on gender discrimination. Moreover, the Plenipotentiary for Equal Treatment lacks autonomy and does not have a mandate to take complaints. Sexual harassment of women and homophobia are frequently observed, and the wage gap between men and women is still relatively high. Finally, the government, like its predecessors, has refrained from challenging the Catholic Church's monopolistic position. Only about 2% of all Polish public schools offer classes in ethics, thus effectively denying most pupils the right to take such classes instead of classes in religion.

# Rule of law

Legal certainty Executive actions are largely guided by law. Compared to its predecessor, the Tusk government has shown a much stronger respect for the law and the established institutional arrangements. However, the difficult relation between the government and the president and the latter's frequent use of vetoes have reduced legal certainty by complicating the implementation process. Moreover, the predictability of administrative behavior in Poland is sometimes limited by complex and contradictory regulations.

> The independence and performance of the courts differ among the tiers of the court system. The Constitutional Tribunal, the Supreme Court and the State Tribunal (which decides on violations of the constitution by top officials) generally work well and largely fulfill their functions of monitoring the executive. The Tusk government further strengthened the separation of powers by abolishing the provision that the minister of justice also acts as public prosecutor general. Unlike the preceding PiS government, the Tusk government also largely respected the independence of the judiciary. However, the lower courts continue to underperform. They are subject to inefficient and time-consuming procedures, prone to corruption, and thus suffer

Score: 7

Judicial review Score: 8

a poor reputation.

The justices of the Supreme Court and the Constitutional Court are chosen on the basis of different rules. In the case of the Supreme Court, the ultimate decision is made by the National Council of the Judiciary, a constitutional body consisting of representatives of all three branches of power. The 15 justices of the Constitutional Tribunal are by contrast elected individually by the Seim for terms of nine years by an absolute majority of votes in the presence of at least one-half of all MPs. The president of the republic, then, selects the president and the vice-president of the court out of the 15 justices and on the basis of proposals made by the justices themselves. In the past, the weak majority requirement for choosing justices of the Constitutional Tribunal served to favor political appointments. Since 2006, the selection process has thus been closely monitored by an NGO-coalition consisting of the Helsinki Foundation for Human Rights, the Polish Section of the International Commission of Jurists, and, since January 2010, the Institute for Law and Society. In 2010, public pressure from this coalition led a candidate of the governing PO to withdraw his candidacy.

Despite the of sophisticated anti-corruption legislation, corruption has been a major issue in Poland. In November 2007, the Tusk government established the new position of a government plenipotentiary for the struggle against corruption. One of its tasks has been the reform of the controversial Anti-Corruption Office (Centralne Biuro Antykorupcyjne, CBA), a powerful, but nontransparent and highly politicized agency created by the previous government. Fearing the charge of not being sufficiently tough on corruption, the government for a long time did not dare to overhaul the CBA. In October 2009, however, it eventually suspended CBA-director Mariusz Kaminski after the so-called gambling games affair. Corruption prevails in public administration and the health sector. In preparation of the 2012 European football championship, the fight against corruption in football teams also became a major political issue.

Appointment of justices Score: 6

Corruption prevention Score: 6

# II. Policy-specific performance

# A Economy

# Economy

Economic policy Score: 7 The Polish economy has recently shown strong economic performance, being the OECD country with the highest growth in GDP for 2009. While this record has partly reflected the country's lower dependence on external developments and the remaining exchange rate flexibility, Poland has also benefited from a relatively coherent economic policy. The Tusk government succeeded in making Poland even more attractive to foreign investors, and stimulated the economy through an expansive fiscal policy and much needed public investments in preparation of the 2012 European football championship. However, progress with labor market policy, health care reform, pension reform, and research and innovation policy has been limited, and the government failed to commit itself credibly to medium-term fiscal adjustment.

# Labor market

Labor market policy Score: 6 The Tusk government has expanded active labor market policy. Compared to the previous government, it has emphasized more strongly activation measures and the promotion of self-employment, and it has drawn more strongly on EU funds. Moreover, it has limited the scope for early retirement. The government's policies have shown some positive effects. The predicted collapse of the labor market in the wake of the economic crisis did not materialize, the number of long-term unemployed has fallen, the number of self-employed has risen and the labor market participation of older workers has increased slightly. Still, however, the overall employment rate is among the lowest in the OECD and regional disparities in (un)employment are large.

# Enterprises

Enterprise policy Score: 7 The Tusk government has pursued an active enterprise policy. Building on a comprehensive law on the freedom of economic activity passed in February 2008, it has sought to lower bureaucratic barriers

to entrepreneurial activity. Part of this entails a one-stop-project aimed at reducing (from four to one) the number of offices that need to be contacted for registering a start-up, but which has progressed relatively slowly. A second key element of the government's enterprise policy has been a strong commitment to privatization. The government originally aimed at privatizing 316 state companies, including a major bank (Bank Handlowy), the airline LOT, the Warsaw stock exchange, but also coals mines and enterprises in the chemicals sector. Although the economic crisis complicated the privatization, the government succeeded in privatizing a substantial number of companies and in raising  $\in 8.7$  billion by 2010.

# Taxes

Tax policy Score: 6

Tax reform featured prominently in the electoral manifesto of the PO in the 2005 and 2007 campaigns. After taking office, the Tusk government implemented two of its predecessor's campaign promises, a further reduction in social security contributions and an increase in income tax credits for children (Morawski/ Myck 2008). Further progress with tax reform has been limited because of quarrels within the government reduced the personal income tax rates from 19%, 30% and 40% to a respective 18% and 32% percent. But it postponed the introduction of a flat income tax due to fierce opposition by the Polish People's Party (PSL), the PO's coalition partner, even though the PO had advocated this very tax in the past. Since the beginning of the economic crisis, Finance Minister Rostowski has warned against premature tax cuts and has touted tax increases, in particular an increase in VAT.

Citation:

Morawski, Leszek, Michal Myck 2008: 'Klin'-ing Up: Effects of Polish Tax Reforms on Those In and Those Out. IZA, Discussion Paper No. 3746, Bonn.

# Budgets

Budget policy Score: 6 In 2008 and 2009, Poland's fiscal stance deteriorated considerably. Fiscal deficit growth was in part due to the adoption of substantial stimulus measures. Financing the deficit was facilitated by high privatization proceeds. In order to underline its commitment to medium-term fiscal adjustment and fiscal sustainability, the Tusk government initiated an amendment of the Public Finance Act in August 2008. Originally vetoed by President Kaczyński, this act was

eventually signed in September 2009. The new legislation has increased the transparency of the public accounts, strengthened the requirements for governments to draw up medium-term budgets, and further specified the adjustment mechanisms to be triggered when the country's public debt passes the legally set safety thresholds of 50%, 55% and 60% of GDP. However, original 2009 plans to reduce the deficit to 3% of GDP already in 2012 lacked credibility. In early 2010, the government reacted to concerns over the fiscal stance by discussing the introduction of expenditure rules.

# **B** Social affairs

# Health care

Since the Polish health care system has suffered from high deficits and a low level and quality of services, health care reform has been among the priorities of the Tusk government. The envisaged reforms consisted of three main elements: more precisely defined public benefits, the corporatization of hospitals, and opening the system to private health insurance companies. These plans faced strong resistance by the opposition and by President Kaczyński, who vetoed the bill at the end of 2008. Lacking the support by the leftist SLD, the parties of the governing coalition were not able to overcome this veto. Since the veto, the Tusk government has tried to transform the hospitals in cooperation with the bodies of regional self-government.

# **Social inclusion**

Inequality of income and regional disparities between cities and rural areas, as well as between the western and eastern parts of the country, are relatively high. Only poverty among the elderly is among the lowest in the European Union. The Tusk government launched a new campaign in December 2008 aiming at improving the social situation of children, stressing activation schemes for parents and putting more effort on the development of social services. Two special points of concern are to improve gender equality, and facilitate better and closer consultation with civil society actors. This is supported by the EU, as 2010 was declared the European Year for Combating Poverty and Social Exclusion.

Health policy Score: 5

Social inclusion policy Score: 5

# Families

Family policy Score: 6 Female employment is below the OECD average. While the previous government had subscribed to a traditional male breadwinner model (matka polka), the Tusk government has sought to improve the labor market integration of women and foster a more balanced division of labor among the sexes. The government has undertaken some attempts at expanding child care facilities, which are among the most limited in the OECD. In particular, it has used EU funds for improving child care facilities in rural areas. An amendment to parental leave legislation in 2008 expanded the rights of parents to reduce their working time, introduced a special paternity leave, and improved opportunities for mothers to grant unused maternity leave to their husbands. Given the limited child care density, lowering the mandatory preschool age from six to five years of age and the mandatory school age from seven to six years of age will likely have a positive effect on female employment.

# Pensions

Poland has featured a modern three-pillar pension system since 1999. The Tusk government succeeded in improving the sustainability of the public pillar by drastically limiting the access to early retirement. However, it has refrained from equalizing the retirement ages for men (65 years) and women (60 years), a move that would both improve the financial situation of the public pillar and reduce poverty in old age among women. Like previous governments, the Tusk government has not dared to reform the generous pension scheme for farmers (KRUS). The continuing fiscal problems of the first pillar and the losses suffered during the global financial crisis by the private pension funds, which form the obligatory second pillar, have sparked a debate within government about redirecting some funds from the second pillar to the first. This debate has raised concerns about the future of the Polish pension system.

# Integration

Integration policy Score: 4 Migration to Poland has increased, but is still relatively low and thus does not feature very prominently on the political agenda. The legal framework for dealing with immigrants has emerged relatively slowly and has been shaped largely by the requirements of EU membership and other international obligations. Ethnic Poles and refugees are eligible to supportive measures such as financial support, language

Pension policy Score: 7

classes and help with the bureaucracy and accommodations for about a year. Other groups of migrants are not included in integration programs. However, there are several NGOs that take care of the needs of immigrants and cooperate with the state administration.

# C Security

# **External security**

External security policy Score: 8 Poland is protected against external security risks through its membership in NATO and the EU. The Tusk government has succeeded in improving the relationship with Germany and Russia, and in rebuilding trust by its international partners more generally. It has also tried to increase Polish security by cooperating closely with Ukraine, and by forging a special relationship with the United States. While the government ended Poland's unpopular involvement in Iraq in October 2008, it stuck to its commitment to host parts of the planned U.S. anti-missile shield system. Polish troops have taken part in a number of international military missions. The involvement in Afghanistan has revealed a number of weaknesses of the Polish military forces. Several generals have resigned, complaining of outdated and insufficient technical equipment, and citing the lack of support by the ministry of defense. In 2008, the Tusk government speeded up the phasing-out of compulsory military service.

# Internal security

Internal security in Poland has substantially increased. The number of homicides and thefts has continued to fall, and the feeling of safety has dramatically grown. In 2009, 69% of the respondents considered Poland to be a safe country. This was the best result ever since the beginning of the 1990s. Poland's improved internal security can be attributed in part to its accession to the Schengen zone in December 2007, which has increased police cooperation with other EU members and helped modernize the Polish police force. In addition, the rising standard of living has played some role. One yet-to-be adequately tackled problem is the lack of coordination among the various organizations involved in fighting crime.

Internal security policy Score: 8

# **D** Resources

## Environment

Environmental policy Score: 6 In Poland, concerns over environmental issues have been relatively low. The Tusk government has placed greater emphasis on environmental protection than its predecessor, not the least because of EU requirements, but it has clearly prioritized economic goals. Since Poland's energy sector relies strongly on coal, the government has consistently opposed ambitious EU plans to reduce CO2 emissions. Official announcements to invest in "clean energy," as they were made by Prime Minister Tusk after the December 2008 U.N. climate conference in Poznań, were not followed up by measures taken. The sale of unused emission rights to Spain and Ireland was heavily criticized by the EU. The disregard of environmental issues led to the resignation of environmental minister Maciej Nowicki in 2009.

# **Research and innovation**

Poland has suffered from low levels of public and private R&D expenditures and weak links between science and industry. The Tusk government's research and innovation policy has largely focused on the public research sector. In 2008, it launched a medium-term reform based on a comprehensive analysis of the status quo provided by a commission. The reform has aimed at strengthening R&D at universities and research institutions, developing more flexible public-private partnerships, promoting more interdisciplinary research, and improving conditions for successful academic careers. Save for a substantial increase in public research funding, however, concrete measures have been limited so far.

# Education

Education policy Score: 6 As the high youth unemployment rate testifies, Poland's education system has suffered from a lack of synchronization with the labor market. Vocational training is poorly developed. Tertiary enrollment has increased substantially since 1989, but academic qualifications often lack practical relevance or are not cherished by employers. The Tusk government has introduced some reforms: it lowered the compulsory school age from seven to six years of age, increased the

Reasearch and innovation policy Score: 5

salaries of teachers and launched a program delivering modern sports fields for the youth in every town and the laptop-for-every-pupil-program. In tandem with its attempts at strengthening R&D, it has sought to increase quality control in higher education.

# Management Index

# I. Executive Capacity

# A Steering capability

# Strategic capacity

Strategic planning The Tusk government has undertaken substantial attempts at Score: 7 improving strategic planning. In particular, it established a Board of Strategic Advisers in charge of supporting the planning units in the Department for Strategic Analysis in the Prime Minister's Office. The Board has been consulted frequently by Prime Minister Tusk and has prepared a number of important documents, most notably the "Report on the intellectual capital of Poland" (Raport o kapitale intelektualnym Polski, 2008) and the "Report on Poland 2030. Development Challenges" (Raport Polska 2030. Wyzwania rozwojowe, 2009). These reports have been widely discussed and have helped to provide a long-term perspective for policy-making.

Scholary advice Score: 7 The Tusk government has relied heavily on scholarly advice. It has set up a number of commissions involving academic experts to prepare important reforms. Cases in point are the reform of scientific research and higher education, and the reform of the president's competencies. In March 2010, the government also set up a new Economic Council. Composed of scientists and practitioners, the Economic Council is to provide the prime minister with independent opinions on economic affairs and government activities.

## Inter-ministerial coordination

GO expertise
Score: 8
The Tusk government has strengthened the sectoral policy expertise of the Chancellery of the Prime Minister. The newly created Council of Ministers Committee Department of the Chancellery evaluates the content of government documents submitted to cabinet meetings.
GO gatekeeping
GO gatekeeping
Under the Tusk government, the gatekeeping role of the prime minister and its Chancellery has been strong. The prime minister is formally allowed to return items on policy grounds. Moreover, he has

enjoyed a strong informal authority, and one of his closest advisers,

Michal Boni, has chaired the Council of Ministers' Permanent Committee, a body that reviews all draft bills before their presentation in cabinet.

The formal and actual involvement of the government office in the preparation of policy proposals by the line ministries is limited, especially in those ministries led by the coalition partners.

Cabinet committees The role of cabinet committees in inter-ministerial coordination has declined. Unlike its predecessor, the Tusk government has not set up temporary interministerial committees. Moreover, in January 2009, one of the three standing cabinet committees, the Committee for European Integration, established in 1996 with a view to fostering EU accession and mproving policy coordination in EU affairs, was abolished.

> Senior ministry officials play a substantial role in interministerial coordination. All meetings of the Council of Ministers, the Polish cabinet, are prepared by the Council of Ministers' Permanent Committee which comprises deputy ministers from the ministries and is chaired by Michal Boni, a minister close to Prime Minister Tusk. A second important body staffed with senior ministry officials is the European Committee of the Council of Ministers, a body which focuses on developing Poland's positions in EU decision-making.

Coordination by line ministry civil servants takes places, but is limited. The legal coordination requirements at the preparatory stage of legislation are weak, and there is still a strong culture of departmentalism.

Despite the various attempts at strengthening the formal mechanisms of interministerial coordination, informal coordination mechanisms have continued to play an important role. For one thing, meetings of the coalition partners have been used for solving conflicts between PO- and PSL-led ministries. For another, many ministers have been active and high-ranking party members, so that part of the interministerial coordination takes place within the PO and PSL leaderships.

# RIA

**RIA** application Score: 6

Carrying out impact assessments has been mandatory for all government bills and regulation since 2001. New RIA guidelines were adopted in 2006 under the previous government. While assessments are undertaken by the ministries, supervision and quality control rest with the Chancellery of the Prime Minister. However, the quality of assessments is often poor, and the RIA requirements are often met only on paper. One major reason is the

Senior ministry officials Score: 8

Line ministries

Score: 7

Score: 4

Line ministry civil servants Score: 4

Informal coordination procedures Score: 7

lack of well-trained staff. In 2009, the government launched a number of measures in order to improve the quality of RIA (Ministry of the Economy 2010). It introduced a new training system, created an electronic platform for widening access to analytical tools and good practices, and set up RIA audits in order to strengthen ex post quality control.

#### Citation:

Ministry of the Economy, 2010: Regulatory reform. Report on the implementation of regulatory reform activities in 2009. Warszawa, pp. 13-16.

The 2006 RIA guidelines call for an analysis of the need for a regulation. In practice, however, assessments focus on the impact of new measures and do not deal in detail with the arguments for regulation.

The new RIA guidelines adopted in 2006 failed to make the analysis of alternative options mandatory. Until recently, most assessments have not explored alternative options.

# Societal consultation

In Poland, the consultation of economic and social actors is institutionalized in various forms, including the Tripartite Commission for Social and Economic Affairs. The Tusk government has pursued a cooperative policy style. In his inaugural speech, Prime Minister Tusk promised to rebuild trust and enter into a new political contract with society. In 2009, the government negotiated with the social partners an "anti-crisis pact" within the framework of the Tripartite Commission. Over time, however, the government's approach has become less inclusive.

# **Policy communication**

The government has sought to coordinate the communication of ministries through the Government Information Centre, a department of the Chancellery of the Prime Minister. Ministers have occasionally voiced different positions, for instance on energy policy or pension reform. Compared to previous governments, however, contradictory statements from ministers have been rare.

Needs analysis Score: 5

Alternative options Score: 3

Negotiating public

support

Score: 7

Coherent communication

Score: 7

# **B** Policy implementation

## Effective implementation

The Tusk government's ability to implement reforms was limited by the far-reaching veto powers of President Kazcyński. The two parties in government lacked the three- fifths majority required for overturning a presidential veto, and only occasionally succeeded in getting the support of the SLD, the leftist opposition party. As a result, the Tusk government's major reform projects, including the reform of the health care sector and the overhaul of the public media, could not be implemented. In many cases, the threat of a presidential veto led the government to abandon parliamentary discussion of bills.

Prime Minister Tusk and the Chancellery of the Prime Minister have enjoyed a strong position within government. Although many ministers have had a strong standing within their parties and/or have been widely respected as experts in their fields, Prime Minister Tusk has largely succeeded in keeping ministers in line.

Ministries have been obliged to inform the Chancellery of the Prime Minister of legislative progress on a regular basis. However, ministries have been keen on maintaining their autonomy, and monitoring has remained largely formal.

There is a large number of executive agencies in Poland. Agencies report to ministries, and ministries have special units responsible for monitoring the activities of agencies and auditing their finances. The effectiveness of monitoring has sometimes suffered from a lack of qualified personnel, the low quality of audits and the limited enforcement of anti-corruption measures.

Since 1999, there have been three tiers of subnational governments: municipalities, districts and regions. A number of reforms, most notably health care and education reforms enacted in 1999, increased the responsibilities of subnational governments without providing the necessary resources. The Tusk government has done little to address this problem. In the period under review, however, an improved usage of regional and cohesion EU funds has helped subnational governments perform their duties.

The decentralization that started in 1998 has been broadly accepted in Poland. Some conflicts have emerged from the dual structure of the regional executive, with conflicts over responsibilities emerging between regionally elected regional governments and the centrally appointed leaders of the regional administration. The latter have the

Government efficiency Score: 4

Ministerial compliance Score: 8

Monitoring line ministries Score: 5

Monitoring agencies Score: 6

Task funding Score: 5

Constitutional discretion Score: 7

power to suspend decisions of the regional government within 30 days. Unlike its predecessor, the Tusk government has largely refrained from intervening in the affairs of subnational governments. Moreover, it has supported calls for clarifying the division of labor at the regional level and for strengthening regional self-government.

National standards Economic and fiscal conditions at the subnational level differ, and so does the availability of professional staff. Central government has set national standards in order to guarantee a minimum guality of public services. In the regions, the centrally appointed head of the regional administration is responsible for ensuring that national policies are implemented, and that state institutions operating in the region perform their functions properly. More recently, EU funds and increasing cooperation between regional and local governments have helped subnational administration improve operations. As a result, more national standards are being met and developed.

# C Institutional learning

# Adaptability

In 2008, the Polish government streamlined its policy-making in EU affairs and began preparing the country for its EU presidency to commence in the second half of 2011. It abolished the Committee for European Integration, a cabinet committee in charge of interministerial coordination in EU affairs since 1996, moved the position of the deputy minister for European matters from the government office to the ministry of foreign affairs, and appointed a plenipotentiary for the Polish EU presidency. The usage of EU funds indicates that Polish government institutions have adapted more smoothly to EU rules and requirements.

Poland has taken an active role in international policy coordination. Compared to the previous government, the Tusk government has adopted a more constructive position within the EU. Together with Sweden, it launched the Eastern Partnership in order to improve the EU's relations with its eastern neighbors within the framework of the European Neighbourhood Policy. From July 2008 to June 2009, Poland also chaired the Visegrád Group and initiated a number of activities within this framework. However, Poland's international role suffered under the major disagreements waged between the government and President Kaczyński over the competencies for foreign affairs. These conflicts delayed the signing of the Lisbon Treaty and engendered some uncertainty over Poland's position in

Domestic adaptability Score: 8

Score: 7

International coordination Score: 8

the international scene. A 2009 Constitutional Court decision strengthened the government's position, but did not end the controversies.

## Organizational reform capacity

Self-monitoring The Tusk government has adopted and advocated a number of institutional reforms. However, these reforms have not been based on a comprehensive and regular monitoring of institutional arrangements.

Institutional reform Score: 6 The Tusk government has launched a number of institutional reforms. It has streamlined policy-making in EU affairs and has undertaken some attempts at strengthening the position of the prime minister within the cabinet. It has also sparked a debate about limiting the powers of the president, in particular by reducing the parliamentary majority required for overruling a presidential veto. However, since the governing coalition has lacked the majority necessary for changing the constitution, no changes have been adopted.

# II. Executive accountability

# D Citizens

# Knowledge of government policy

Policy knowledge Score: 5 The public's general knowledge of government policy is limited. As Poland's "astronomic" voter volatility indicates, elections in Poland are about "throwing out the rascals" rather than a balanced assessment of policy performance and the quality of electoral programs (Markowski 2007). This state of affairs can be attributed in part to the public media's prevailing political bias, which is now in favor of the opposition parties. Second, as the low voter turnout and other indicators suggest, the interests in politics is low. Finally, many voters lack a coherent belief system, and thus face problems in evaluating and assessing policy effects and proposals.

#### Citation:

Markowski, Radoslaw, 2008: The 2007 Polish Parliamentary Election: Some Structuring still a lot of Chaos, in: West European Politics 31(5), 1055-1066.

# E Legislature

# Legislative accountability

Both de jure and de facto, parliamentary committees have full access to government documents.

Ministers and heads of supreme organs of state administration (or their representatives) are obliged to take part in committee meetings whenever issues are discussed that fall within their domain. No restrictions are observed in practice.

Parliamentary committees have the right to invite experts. The invitation of experts, ranging from academic scholars to representatives of lobbying groups and NGOs, is common practice.

> The number of committees exceeds the number of ministries. However, some of the committees deal exclusively with internal parliamentary issues, and most ministries, including the more important ones, have just one matching committee. The distribution of subject areas among committees does not infringe upon parliament's ability to monitor ministries.

> Poland's auditing office, the Supreme Chamber of Control (Naczelna Izba Kontroli, NIK), is independent from the government and accountable exclusively to the Seim. The Chamber's chairman is elected by the Sejm for six years, so that his term does not coincide with the term of the Sejm. The Senate has to approve the decision. The Chamber has wide-ranging competencies and is entitled to audit all state institutions, government and local government administrative units, together with corporate bodies and nongovernmental organizations that perform public contracts or receive government grants or guarantees. The Chamber can itself initiate monitoring proceedings or do so at the request of Sejm, its bodies or representatives (e.g., the speaker of the Sejm, the president or the prime minister). The Chamber's activities also include auditing the state budget.

The Polish ombuds office, the Commissioner for Citizens' Rights, is an independent state organ, but is accountable exclusively to the Sejm. It has substantial investigative powers, including the right to view relevant files or to contact the prosecutor general. Because of its strong engagement for citizens' rights ever since its creation in 1987, the ombuds office has traditionally enjoyed a high reputation. This reputation has suffered as a consequence of the controversial views on issues such as homosexuality and the death penalty held

Obtaining documents Score: 10 Summoning ministers Score: 10

Summoning experts Score: 10

Task area coincidence Score: 9

Audit office Score: 10

Ombuds office Score: 8

by the current commissioner, Janusz Kochanowski, who was elected in January 2006.

#### F Intermediary organizations

## Media

Media reporting Score: 7

Score: 5

Government decisions are widely covered by the country's main TV and radio stations. TV and radio journalists often refer to, and make use of, the in-depth information provided in the print media. The quality of the public programs has suffered from the pro-PiS bias of the public stations, their worsening financial situation and a growing inclination towards infotainment. The two largest private TV stations, Polsat and TVN, broadcast mainly entertainment programs, but also feature several political information programs with well-known journalists and high-quality reportage. However, some of the most informative public and private programs on policy issues are broadcasted late in the evening, thus reaching only a small audience.

# Parties and interest associations

Party competence The coherence of party programs is limited. Law and Justice (PiS), the main opposition party, employs a confrontational political style and largely refrains from articulating its own policy proposals. Emphasizing national, moral and Catholic values in addition to the need for a strong state, it has called for higher social spending, but has remained vague on financing and on economic policy in general. The two small parties in parliament, the Democratic Left Alliance (SLD) and the Polish People's Party (PSL), have also failed to present coherent policy proposals. PSL continues to focus almost exclusively on the interests of farmers and the rural population, and the SLD has yet to redefine its role after several personal and organizational changes. A good case in point is health care reform. While the more liberal wing of the party supported part of the government's reform plans, the leftist wing opposed it and eventually turned the balance. The party with the most coherent program has been the governing PO. It has presented a number of well-designed reform proposals.

> Poland has a relatively developed sector of interest associations. Business associations and trade unions have become more professional over time, and the Tusk government has taken them more seriously than its predecessor. The trade unions have largely

Association competence (business) Score: 6

taken an obstructive approach towards government reforms, most notably in the case of early retirement and health care. In contrast, some business associations, such as Lewiatan (PKPP) or the Business Center Club (BCC), Club) have the expertise and the resources research and formulate elaborate reform proposals.

Poland has several interest associations other than business associations and trade unions. Compared to other countries, relatively few environmental groups exist. There are only a few interest associations that focus on, and are capable of, developing full-blown policy proposals. The Catholic Church, still the most influential interest group in Poland, pursues relatively narrow interests and is largely preoccupied with stabilizing its influence in an increasingly secular society.

Association compentence (others) Score: 6 This country report is part of the Sustainable Governance Indicators 2011 project.

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