

# **INTRODUCTION**

## **POLAND OF A NEW SOCIAL CONTRACT**

### **- OPPORTUNITIES AND RISKS**

*„The most important issues are the rebuilding of the state, the transformation of Polish social policy and the restoration of its moral dimension“*

#### **The Fourth Republic as a state under a new social contract**

The issue of highest importance is the fundamental change of Polish socio-economic policy and restoration of its moral dimension. Therefore we propose the establishment of a “social pact” among Poles.

It is based on a fundamental assumption:

**Economic growth must benefit all Poles, not only a narrow group of the richest.**

A New Social Contract must be established between the most important social groups. It is necessary to purify and strengthen the state, as well as to dispose of the legacy of the People’s Republic.

The Law and Justice party seeks a strong, honest and effective state apparatus. We must rely on creating new jobs, on development through increasing employment. We must rectify public finance, eliminate the housing crisis, improve health services and the education system. The new social contract must create a basis for change in social policy—a pro-family state policy.

The Law and Justice party strives to restructure Polish life, as expressed in the party's Constitution draft that highlights Poland's passage from the Third to the Fourth Republic.

**We believe in a revival of a sense of community, a spirit of social solidarity and a Christian love of human beings. We believe that Poles will accept our idea; that they would want to preserve the *spiritual heritage, which is named Poland.***

### **CHAPTER 3 – INTERNATIONAL POLICY A POLAND SECURE AND SOVEREIGN IN INTERNATIONAL POLITICS – A STRONG POLAND IN EUROPE.**

**The primary aim of foreign policy is to secure national interests.**

The following priorities will serve as our guide:

- Maintaining strategic links with our allies, particularly the United States;
- Supporting further enlargement of the EU eastwards and procuring a strong position for Poland in an enlarged European Union;
- Consolidation and development of partner relations with neighbours, and launching efforts to promote Poland as a regional leader;
- Achieving security for Poland in the energy and economy spheres;
- Avoiding dangers of energy dependence on Russia through diversification of gas and oil supplies;

**The aims of our European policy are the following:**

- ✓ Imbed Europe's security within NATO structures;
- ✓ Preservation of Poland's position within the EU as set forth in the Treaty of Nice;
- ✓ Preservation of the rule of unanimity as necessary for any changes to the European Union treaties;
- ✓ Preservation of the Commonwealth's sovereignty in the foreign policy sphere;
- ✓ Preservation of independence of Poland's economic policy (to the greatest extent possible according to rules of the common market).
- ✓ Preservation of the financial solidarity rule in regional policy.

**In Eastern policy we plan to undertake the following:**

- ✓ Establish an institution supporting social, scientific and educational initiatives in Belarus and Ukraine;
- ✓ Help Ukraine become a democratic state with a developed market economy, efficient administration and judiciary system, and, in the foreseeable future, an EU associate status;
- ✓ Develop political and economic co-operation with the states of Central Europe (Lithuania, Latvia, Estonia, Czech Rep., Slovakia etc.);
- ✓ Appoint Poland to monitor threats to the EU's peace and security beyond its eastern borders, as well as cases of human and citizen rights violations;
- ✓ Protect the interests of Polish minorities, especially in Belarus.
- ✓ We shall create tools to conduct foreign policy, for instance, through the expulsion from the ministry and diplomatic personnel of any former special services functionaries and secret collaborators, and by changing regulations governing ambassadorial appointments.

**We shall strengthen Poland's security. We want to build a Fourth Commonwealth possessing a place in the international arena it deserves.**

## **CHAPTER 4 – ECONOMY**

### **A STRONG POLISH ECONOMY**

#### **– DEVELOPMENT THROUGH EMPLOYMENT**

##### **Development through employment**

is the main provision of the Law and Justice party.

For new jobs to be created

it is necessary to lower taxes and labour costs.

- We propose that employers creating new jobs be given a monthly relief from the CIT tax.
- We shall lower the tax rate for individual entrepreneurs.
- We propose that employers receive a partial two-year exemption from social security contributions for new workers.
- We shall introduce a change in income tax for people who have children.
- We shall simplify the tax system by reducing the number of income tax levels to two: first 18 and 32%, and later 18 and 28%.
- We oppose the linear 3 x 15 tax.
- We shall preserve the possibility of joint tax declarations for married couples.
- We shall preserve the currently existing VAT tax rates.
- We shall remove the bank savings tax.
- We shall bring about changes by introducing the *Prudent State* program. This will result in almost 5 billion in savings a year and produce some 3 billion PLN immediately in government revenue.
- We shall dismantle many agencies, funds and offices.
- We shall fight to ease access for Polish entrepreneurs to EU state markets.

- We oppose implementing the common currency in Poland until costs of monetary integration are decisively lower than the prospective gains.
- We shall advocate for assigning more funds to border regions of the EU, leading to creation of special programs for the Eastern Wall.
- We shall change regulations governing the conducting of business to increase transparency and to encourage business initiatives.
- We shall establish a special credit line for entrepreneurs who are starting businesses.
- The priority of the Law and Justice party will be the rapid development of some five thousand kms of express roads of European standard.
- We shall dedicate ourselves to the restructuring of PKP and the modernization of railway lines.
- We shall make changes in the Telecommunication Law, leading to a reduction in prices for telecommunication services, increasing accessibility.
- The state treasury will retain possession of companies and enterprises important to economic security. The Law and Justice party's privatization program anticipates this will contribute 7-10 billion PLN yearly in state revenue over the next four years.
- We shall increase Research and Development funding, particularly for basic research. Tax exemptions should provide an important means for continued R&D activity.

## **Your Choice – A Strong Economy**

**A Strong State must take care of a Strong Economy. A Strong Economy is one that creates jobs and achieves fast economic growth. To create new jobs we propose lowering tax levels and labour costs.**