

# Research Poland

## Gratulacje Polska

June 4 is an historic day for Poland, Europe and the world, as it marks the 20-year anniversary of the first free elections in Poland in 1989. The elections, which gave the Solidarity movement a landslide victory and brought an end to Communism in Poland, marked the start of an enormously successful economic and political transition that has transformed Poland from a backward country, with an inefficient economy on the fringes of Europe, to a thriving modern economy at the centre of Europe. Poland joined NATO in 1999 and the EU in 2004, returning the country to its rightful position at the centre of Europe.

Poland's economic and political transformation has been truly remarkable. No matter what economic indicator one chooses to look at, the same picture emerges: Poland's transformation from a depressing Communist society to a free-market economy has been a resounding success. Since the end of Communism, GDP growth in Poland has averaged more than 6% and GDP per capita has grown from USD3,097 in 1989 to USD5,935 today. GDP per capita has risen from just 30% of German GDP to 50% of German GDP.

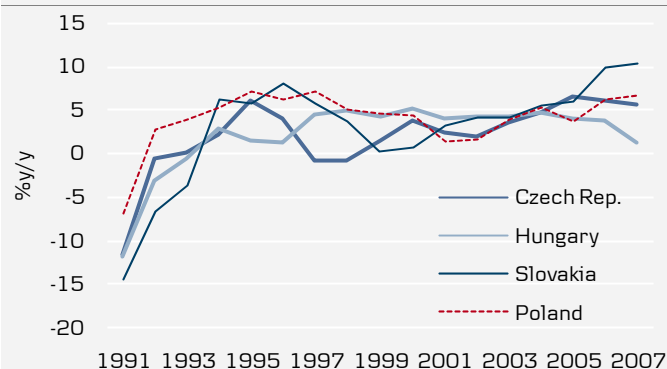
How has this been done? We are in no doubt that Poland's very strong economic reform effort over the past two decades is the real reason behind the Polish success story. Most notable were the early reforms to stabilise the post-Communist economy and free it from the crippling shackles of Communism. Here, Leszek Balcerowicz, who was instrumental in pushing through tough but necessary reform as finance minister – first from 1989 to 1991 and then later from 1997 to 2000 – no doubt played a key role. Even though Dr Balcerowicz's contribution to the reform effort is surely unique, it is notable that while Poland's political stability has not always been the greatest in the world – to say the least – most Polish finance ministers (and there have been more than a few) over the past two decades in general have understood the importance of economic reforms and have worked to continue the reform process. The present finance minister, Jacek Rostowski, is yet another example of just such a Polish finance minister who keeps pushing the reform process forward. There are undoubtedly many heroes in Poland's remarkable political and economic transformation – whether Lech Walesa, who famously led the Solidarity movement's struggle against Communism and served his country as its first freely elected president from 1990 to 1995, or the first Polish pope, John Paul II, who gave the Poles enormous moral support, both in the fight against Communism and in the period of hard economic reforms, or Leszek Balcerowicz, the finance minister responsible for the crucial economic reforms. However, to us, the real heroes are the Polish population who, despite having endured serious economic hardship, continued to support the transformation from Communism to democracy and a free-market economy. These are the people we will celebrate with on June 4. Gratulacje Polska.

Below we present some overview graphs that highlights the Polish economic development over the last 20 years.

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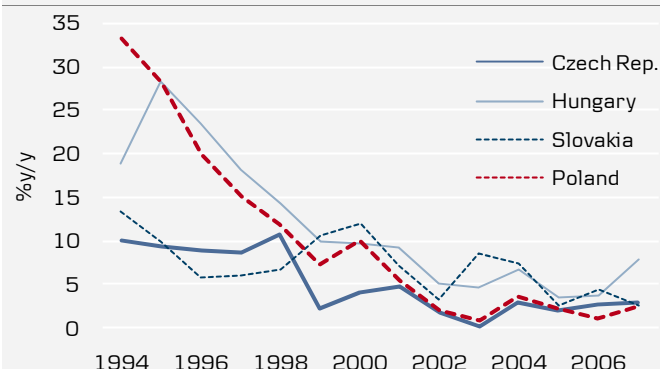
# Economic development

GDP growth



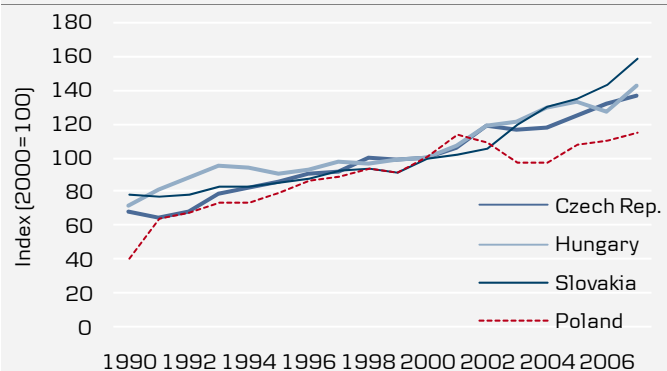
Source: Danske Markets, World Bank

Inflation



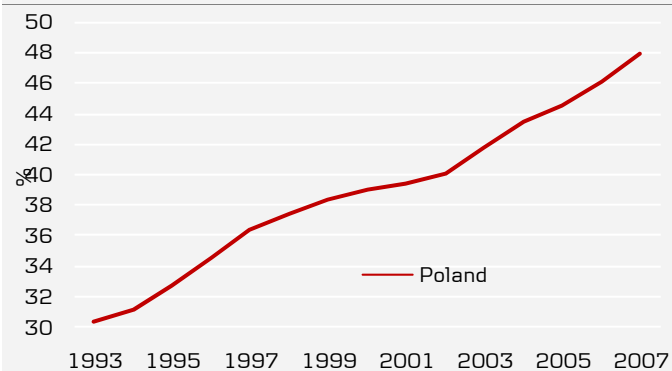
Source: Danske Markets, World Bank

Real effective exchange rate



Source: Danske Markets, World Bank

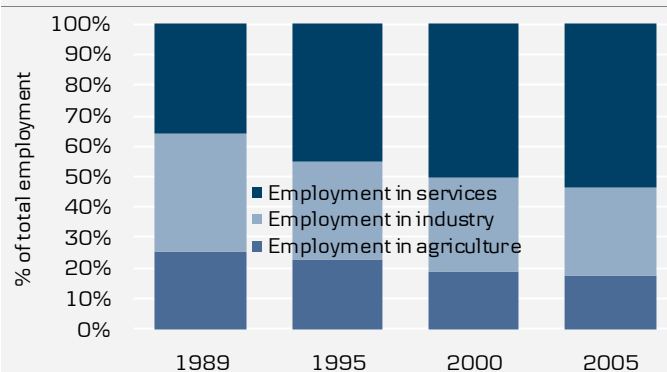
Polish GDP per capita relative to German GDP per capita



Source: Danske Markets, World Bank

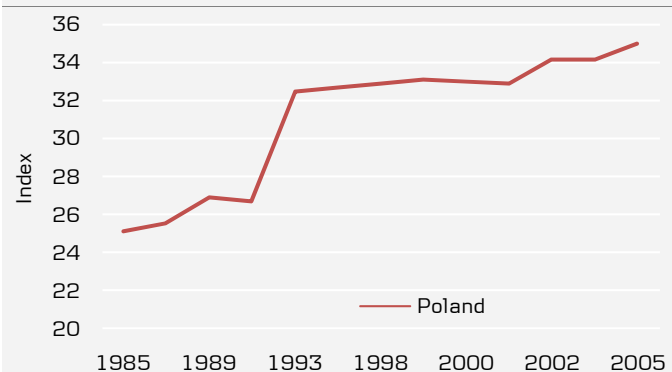
# Labour market

Polish labour market



Source: Danske Markets, World Bank

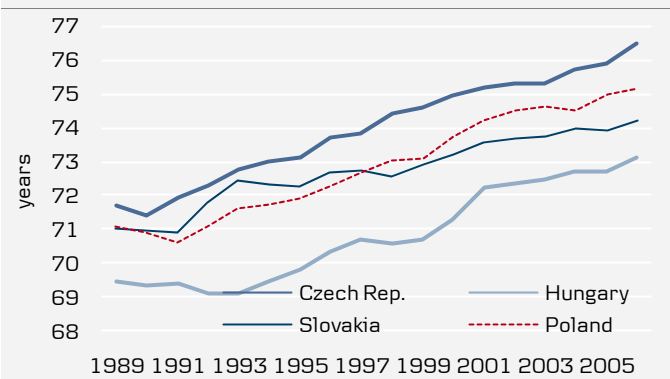
GINI index



Source: Danske Markets, World Bank

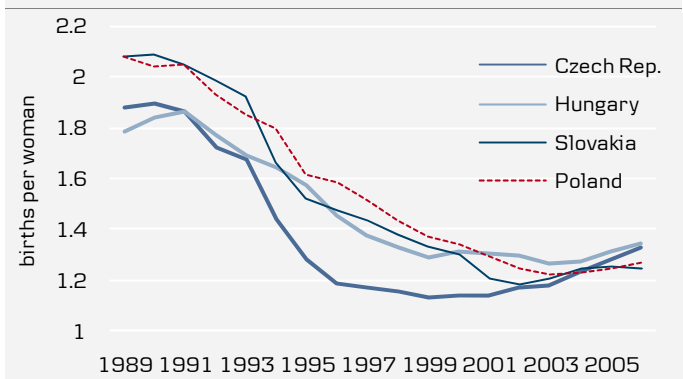
# Social conditions

Life expectancy



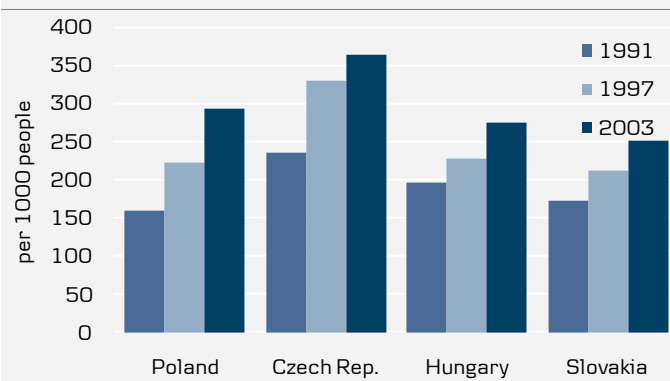
Source: Danske Markets, World Bank

Fertility rate



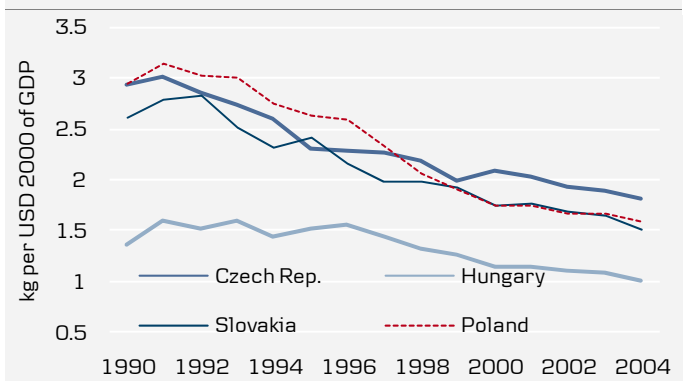
Source: Danske Markets, World Bank

Passenger cars



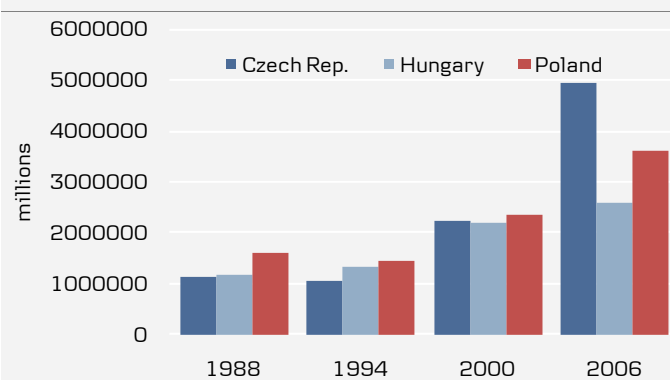
Source: Danske Markets, World Bank

CO2 emission



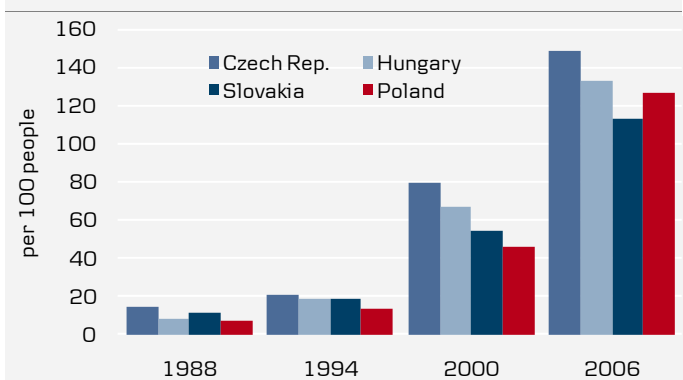
Source: Danske Markets, World Bank

Flight passengers



Source: Danske Markets, World Bank

Fixed line and mobile phone subscribers



Source: Danske Markets, World Bank

## Disclosure

[Insert Disclosure]

## Disclaimer

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