
Polish Social Security in the Aftermath of COVID-19

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Abstract: *The COVID-19 pandemic exacerbated existing inequalities in labour markets, reversing the employment growth seen since the global financial crisis of 2007-08 and accelerating the arrival of changes dubbed the 'future of employment'. The impact of the COVID-19 pandemic has compounded the long-term changes already triggered by the fourth industrial revolution.*

Keywords: *EU, Poland, COVID, crisis, economy, social security, media, democracy*

INTRODUCTION

The emergence of the COVID-19 outbreak has severely tested a significant number of public institutions. In a short formulation, it is possible to present the view that the dangers arising from the spread of the SARS-CoV-2 virus have significantly damaged the structures of the Polish state. Many years of neglect, as well as insufficient definition of potential threats, meant that the public health service was not prepared for such a strong and radical disruption to its functioning. In order to maintain adequate operability, the forces and resources of other entities shaping security, including, among others, the Polish Armed Forces, were involved. In addition, solutions that had not been attempted in recent Polish history became necessary. Restrictions were placed on the exercise of a universal form of civil rights and freedoms.

As a result of political actions, the constitutional tools of one of the three states of emergency were not used. Although the validity of the solutions taken at the time should not be questioned, the regulations established were met with numerous legislative controversies in the first place. The outlined political decisions that were taken during the first wave of the COVID-19 epidemic were not shaping up as fully identical to effective crisis management. The idea of political interest mainly revolved around the presidential election process that had begun and the desire to maintain executive power. The lack of expected effectiveness of state instruments, as well as the chaos in the conduct of the political narrative, resulted in the public increasingly expressing widespread criticism of the ruling camp. This is evidenced, among other things, by the presented results of a survey that was conducted in early May 2020. The content of the above discussion clearly confirms the hypothesis adopted in the introduction. The emergence of the first wave of the COVID-19 epidemic was a phenomenon that significantly strained the ability of numerous institutions of the Polish state to respond appropriately. Although the actors characterized in the article show a clear advantage in the context of establishing and maintaining national security, the pandemic crisis contributed to legitimate doubts about the overall effectiveness and efficiency of state mechanisms. The dynamic development of the epidemic, typical of the first wave of cases, necessitates a redefinition of the relevant concepts and scenarios for maintaining adequate internal security. The course of the outbreak also highlighted glaring problems in ensuring adequate supply chains, especially at the level of products for the personal protection of medical staff. In this context, it becomes important to build up richer strategic reserves that will allow adequate levels of health security to operate for longer. Further action should focus on conducting an in-depth analysis of the current legislation that serves to ensure safety. The accelerated legislative work on the eve of the emergence of an increased

number of diseases illustrates the significant chaos in the context of the developed and applied legal mechanisms¹.

In the near future, therefore, consideration should be given to establishing new normative acts that will enable comprehensive and rapid action to be taken in the context of security. The materialisation of detailed considerations is a document bearing the rank of a strategy - the 2020 National Security Strategy of the Republic of Poland, which, at the final stage of preparation, was enriched with issues concerning the COVID-19 epidemic. Attention should also be drawn to the announcements concerning legislative work on the Act on National Security Management and the Act on Civil Protection and Civil Defence. The counter-threat undertakings specific to the COVID-19 epidemic will continue to be one of the most significant challenges for numerous homeland security actors for a long time to come. In view of the above recommendations, a key action should be to gather all lessons learned to date and conduct ongoing analysis to enhance overall effectiveness.

EXAMPLES:

The first case of coronavirus was diagnosed in Poland on 4 March 2020, and in the following days measures were taken to protect community life. From 14 March, in Poland we turned into a state of epidemic emergency, from 15 March a sanitary cordon was introduced at the Polish borders, and from 20 March an epidemic state was in force.

From March, further restrictions were introduced, including on civil rights and freedoms, among others. Rectors cancelled classes for students, mass events were cancelled, schools (public and non-public), kindergartens, crèches were closed, Poland's borders were closed to air and rail traffic, an obligatory quarantine was introduced for persons crossing the border by land, a ban was introduced on public assemblies of more than 50 people, including state and religious assemblies, assemblies of more than 2 people were banned, restrictions were introduced on the movement of public mass transport and on foot, and participation in religious ceremonies of more than 5 people was banned, parks, boulevards and beaches were closed. Restrictions were also introduced on business activities, including the suspension of cinemas, theatres, opera houses, swimming pools, fitness clubs, amusement and play parks, saunas and solariums, hairdressing, beauty and tattoo parlours, as well as the prohibition or restriction of the organisation of fairs, congresses, cultural and sporting events, the restriction or prohibition of the operation of retail establishments, hotels, restaurants and mass catering establishments. The bans and restrictions introduced have affected the performance of businesses and the performance of the national economy.

According to a study by the COVID-19 Team of the President of the Polish Academy of Sciences: "SARS-COV-2 (severe acute respiratory syndrome coronavirus 2) is a typical virus of animal origin and is the cause of COVID-19 (coronavirus disease-19), which is classified in the zoonosis group. It is in this group that the vast majority of human diseases are classified. SARS-COV-2 is another virus after SARS and Zika that has been very rapidly displaced from its original ecological niche, but the difference lies in the severity of the health effects of such an intense global spread of a new disease. Importantly, findings to date indicate that COVID-19 spreads between humans in all known geographical settings. Another very important aspect can be added to the above characterisation: SARS COV-2 is a virus that has changed the face of the modern world. A few key dates should be pointed out in this regard: - 17 November 2019. - COVID-19 outbreak in the city of Wuhan, Hubei province, central China, - 24 January 2020. - France was the first in Europe to officially report the first cases of SARS-COV-22 infection, - 11 March 2020. - recognition of COVID-19 disease as a pandemic by the World Health Organisation, - 4 March 2020, the first case

¹ Bartosz Włodarczyk, Institutions of the Polish State vis-à-vis the threats posed by the Covid-19 epidemic [in:] 'Political Studies' No. 49/4, pp. 82-83.

of coronavirus was detected in Poland. From then on, nothing was the same. The virus has left its mark on many areas: economic, social or legal. It is therefore reasonable to analyse the impact of the COVID-19 pandemic on selected spheres.

The COVID-19 pandemic resulted in an epidemic emergency in Poland, and many countries imposed a state of emergency. The convention resulted in significant restrictions on the operation of domestic agri-food operators, which included the following areas: - restrictions on the movement of people (e.g. logistics, tourist traffic, labour emigration, etc.) and goods and services, which adversely affected international trade, - restrictions on the operation of HoReCa businesses, which resulted in a decline in demand for food commodities, - deterioration in the labour market and a decline in household incomes, resulting in a decline in expenditure on food commodities.

During the first pandemic period, the high risk of drought was also a significant threat to the national agri-food sector. Rainfall in May has improved field crops and permanent plantations, but significant production and commercial risks remained. Industries that reported high seasonal demand for hired labour experienced difficulties in carrying out work (e.g. harvesting). Another production risk remained the risk of ASF and avian influenza, as well as the continuing embargo on exports to Russia of certain agricultural products. Taking these market conditions into account, the following industries experienced the greatest economic difficulties in 2020: - poultry, which exports 47.5 percent of its production, and difficulties with exports have resulted in a large part of production being stored. However, the poultry industry is characterised by a short production cycle and operators could flexibly adapt production to demand conditions, - beef, which exports about 80% of its stock, and difficulties in exporting and a long production cycle pose a major distribution risk, - dairy, which exports in processed form about 38% of its raw material supply, and difficulties in exporting result in oversupply on the internal market. Intervention measures (e.g., subsidies for private storage) have a short-term stabilising effect on the market, as after a certain period accumulated stocks will have to be sold on the market. - The pork sector continues to restructure, and imports of piglets play a major role in the rearing structure. The threat of African swine fever spreading to more areas of the country remains serious. The deterioration of the income situation of households and the economic difficulties of companies in the HoReCa sector may adversely affect demand on the internal market².

In our opinion, Poland has a chance to “bounce back” faster and stronger than a large part of European economies. This is due to a number of factors, including: an exceptionally small role of tourism-related industries in the economy (which has suffered the negative effects of the pandemic most severely and probably for the longest period of time); diversification and balance of the domestic economy at the starting point; a relatively large (in relation to GDP) size of anti-crisis measures taken by the government and the central bank; a strong link between Polish industry and the German economy, for which forecasts are optimistic (there is a good chance that Germany will be the leader in recovering from the recession, e.g. due to the exceptionally large scale of the German economy); a potentially large allocation of funds for Poland from the new EU anti-crisis programme, some of which were available as early as 2021.

Nearly 90 per cent of companies in Poland reported business disruptions due to social isolation and changes in customer behaviour. For more than a third of companies (35.3% of them), the decrease in revenue exceeds 50% compared to the same period in the previous year. This is a shock that companies have not faced since the beginning of the system transformation. The CSO's data shows that even at the height of the financial crisis, in the first half of 2009, the decrease in total revenue of companies with fewer than 250 employees did not exceed a few per cent on an annual basis. The severity of the current disruption is therefore incomparable to previous events in the

² Piotr Szajner, Impact of the covid-19 pandemic on the situation on agricultural markets in Poland [in:] 'Insurance in agriculture - Materials and studies 1 (73/2020), p. 91.

history of the Polish market economy. The greatest drop in revenue was recorded by micro companies employing from 2 to 9 employees. In this group, almost half of the companies are experiencing a drop in revenue of more than 50%. However, this does not mean that the situation for larger companies is safe. Among companies with 50 to 249 employees, one in five companies, and one in three small companies, i.e., those with 10 to 49 employees, are experiencing a sharp drop in revenue in excess of 50%. Support for these groups will also be very important and necessary in the next phase of the crisis. In addition to revenue declines, late payments from customers are also a very important problem. Liquidity problems are experienced by more than 50 per cent of companies. Liquidity risks are a huge problem even in those sectors of the economy that are not in the front line of the crisis. This is the case, for example, in industry, where up to 70% of companies signal a problem with late payments. This can put even companies that maintain production at risk of losing liquidity, resulting in bankruptcy³. Therefore, it may be very important to maintain access to working capital finance for companies that are fulfilling orders on an ongoing basis. The companies most affected by the effects of the pandemic are those operating in the consumer services sector, and relatively the least affected are construction and business services companies.

In the survey data reviewed, there was not a single company in the consumer services sector that did not suffer a drop in revenue, with more than 60% fearing a drop in revenue by more than half, compared to the same period last year. In other sectors, there is a small proportion of companies whose managers are not concerned about lower revenues next month: 17% in construction, 15% in business services, 7% in industry and 6% in trade. Correspondingly, 35% and 41% of companies operating in industry and trade forecast a decrease in revenue of more than 50%. An analogous pattern of responses is found in questions about companies' ability to maintain liquidity. There is no significant difference between the situation of companies trading abroad and those operating only on the domestic market. Significantly worse than the average is the situation of importers. How should this be interpreted? It is probably not due to differences in the disruption of international trade in goods. It is possible that the relatively better situation of exporters compared to importers is influenced by the fact that there are more construction companies and companies in the business services sector among exporters. Additional factors in this situation may be the weakening of the zloty and potential demand for imported non-core goods. One third of companies are reducing employment in response to the economic shock. The largest number of such companies is among small enterprises - as many as 42.5%. By contrast, in the group of medium-sized companies, with 50 to 249 employees, a quarter have already started or are planning layoffs. This supports the conclusion that the smallest companies feel the greatest shock, while larger companies may be slightly more resistant to short-term shocks. The majority of companies (59.3%) are unable to maintain liquidity without making staff redundant for longer than three months.

The pandemic has accelerated technological transformation in many ways: the development of IT infrastructure, remote working solutions, online communication and meetings, online shopping, robotisation and automation of certain processes. Many of these transformations will permanently affect the way companies and markets operate. One example is the likely change in the employment model of corporations - the use of remote working will permanently increase, which will affect, on the one hand, the change in companies' need for office space (the likely high uptake of the remote, rotating, mobile workstation model), but also the change in the housing needs of employees (setting aside and adapting space for remote working).

The accelerated digitalisation, automation and robotisation of many areas of the economy is creating major challenges in the labour market, especially for those with the lowest skills. More and more occupations will require digital and technical competences, and automation may increasingly

³ Ibidem, p. 92.

affect occupations and jobs that have not previously been worth automating due to the still low cost of unskilled labour. Companies are likely to cut lower-paid jobs that require less competence that can be replaced by technology first and to a greater extent. As a result, very low-skilled people will find it increasingly difficult to find sources of income. Consequently, the pandemic is likely to hit the economically weakest social groups the hardest and result in widening income inequalities, at least up to a certain point. If these phenomena intensify, it is possible that, in the longer term, this will result in strong pressure on governments to redress income inequalities, e.g., by significantly increasing taxation and tax progressivity, implementing solutions such as basic income.

When asked whether this marks the end of the golden age of Western democracy and economic systems, the answer is that it is difficult to say whether it is the end, but the situation is conducive to a widening danger zone, as economic crises and financial imbalances have emerged over the past decades. Private and public debts have accumulated, which can be difficult to maintain over time. Growth stimulated by globalisation, technology and migration has led to a widening inequality of income and wealth, which is affecting social unrest. Technologies will cut jobs, change professions and even transform industries. There is global climate change, pandemic and emerging technologies, and 'surveillance states'. So, there are many issues that challenge market economies, which is why the best economic system is a mixed system, which is an economy where the government provides a wide range of public services. In an economy there are those who move forward and those who are stagnant. Inclusive economic growth must therefore be taken into account. The labour market has become more flexible. Despite this, according to the World Economic Forum's assessment, the COVID-19 pandemic exacerbated existing inequalities in labour markets, reversing the employment growth seen since the global financial crisis of 2007-08 and accelerating the arrival of changes dubbed the 'future of employment'. The impact of the COVID-19 pandemic has compounded the long-term changes already triggered by the fourth industrial revolution, which has consequently accelerated⁴.

The research reported in this publication aimed to show the trauma of a pandemic or more precisely, the mechanisms of the emergence of this trauma and the interconnections between its various elements. The objective has been achieved. Thanks to the research results obtained we can, to some extent, describe both the causes of trauma and its main representations.

The fact that a pandemic is a powerful psychological trauma on a massive scale has not been known for a long time. Many psychologists and psychiatrists have spoken about it. However, these statements lacked evidence. It is only speculation and more theoretical considerations or knowledge coming from observations of patients in psychotherapists' offices. Hence, the idea arose to gather evidence and see to what extent a sociological concept of trauma would be able to capture the psychosocial effects of a pandemic. Pandemic trauma is present in Polish society. Considering the sources of this trauma, it should be pointed out that the coronavirus pandemic caused cultural trauma. In addition to the threat to life and health, the loss of control over one's life has become its main cause. Attention is drawn to this fact, emphasising that for the vast majority of Western societies, until recently life was essentially predictable. And this unpredictability that has emerged, the risk that we are no longer at risk not only of economic or prestige failure, but of much worse things - this is something that causes anxiety on a grand scale. To the greatest extent, this problem is likely to affect the middle class. Because of its functions in society, it has suffered a shock under the collapse of the cultural norms it has internalised. This has happened because the middle classes, by virtue of their education, feel free, look to the future with confidence and trust in their own strength. They are motivated to make an effort, work hard and invest in their own development. The pandemic has

⁴ Marek Smoleń, Paweł Smoleń, Challenges of the future for the Polish economy in the face of the effects of the pandemic [in:] "Poland and the world in the crisis caused by covid-19 - economic, social and legal aspects", Kielce 2021, pp. 80-81.

taught society a lesson in humility. It has made people aware of the fragility of human existence and shown that the certainties of the past are losing their anchors and are being replaced by helplessness and uncontrollable risks. Initial trauma was followed by secondary trauma, which was triggered by lockdown.

This involves the introduction of constraints related to social distance, the closure of institutions, and changes in life habits. In other words, the trauma was caused by the government's actions to stop the rapid spread of COVID-19. There are also unintended consequences of these actions, which hit economic interests. Here as before - the middle class has been most affected by the loss of resources. The lockdown itself hit entrepreneurs and people employed in administration, tourism, hospitality and services. The middle class was also more often deprived of various goods and values. The closure of cultural, entertainment and sporting establishments and the closing of borders have made it impossible to satisfy higher-order needs, creating frustration and anxiety. In addition, there are current traumas - fear induced by the media through information about the pandemic, the dangers that may come after the pandemic, the more dangerous mutation of COVID-19, the coming economic crisis, attempts by the government to restrict freedom, the destruction of the state by enemies of democracy, etc. These traumas are induced to a large extent by the media and politicians, calculated to mobilise the electorate and keep the iron-fisted electorate in combat readiness. One could refer to the earlier division between the dominant and the dominated and point out that these two groups are influenced by different media and have different sensibilities. For one class, an event represents a trauma, while in the other it is disarmed and deconstructed.

CONCLUSIONS

In Poland, there are generally several systems for reporting medical data on infectious diseases. Thus, we have epidemiological surveillance carried out by the National Sanitary Inspectorate and the National Institute of Public Health - PZH (EpiBase system), we have a powerful database of services in the National Health Fund, as well as databases being implemented within the e-Health Centre e-prescription and e-referral, and the Threat Monitoring System. In the face of a pandemic, a module has been created as part of the Epidemiological Surveillance System, but additionally systems dedicated to COVID-19-related activities were also developed, namely the EWP system and the COVID-19 Clinical Register of Patients at the Institute of Cardiology (IKARD).

The EWP system was initially used to monitor people in quarantine on arrival in Poland when the borders were closed. Subsequently, it was expanded to include a module for registering all persons in quarantine, completed by the Sanitary Inspectorate, and a module for ordering publicly funded COVID-19 tests - here data is entered by hospitals (via the IKARD system), the Sanitary Inspectorate and laboratories performing the tests, and more recently by GPs via the e-cabinet system. Doctors caring for COVID-19 patients in hospitals have been required to complete detailed clinical data on the course of the disease in the IKARD register.

Together, these systems represent an exceptionally rich data set; unfortunately, each was built on a different platform, uses different classifications and vocabularies, and their integration is still incomplete. This is because initially the integration concerned functional solutions mainly concerning the system's ability to automatically order tests.

Healthcare resources, including bed occupancy and ventilator use, were monitored separately. The sorting out of data and the channels through which it flows is therefore a task facing state services. This fight also calls for an important role for the media, whose enormous media duty includes avoiding sensationalism and fake news, those unsupported by solid research and scientific expertise. A self-respecting media should not contribute to infodemia, i.e., information overload, generated during and about the epidemic. It is estimated that hundreds of millions of pieces of

information (sic!) have been generated about the COVID-19 pandemic since it began. Some of this is reliable, some not.

So much of this information reaches the average person that it is difficult for him or her to assess the value and credibility of individual news items, analyses or assessments. It was therefore difficult for him to form a rational picture of the epidemic and to decide how to act appropriately during it. This led to chaos in social action. Much of the infodemia was generated in good faith, but by people without sound knowledge. There is also much evidence that a sizable portion of infodemics were generated in bad faith and were created by troll armies or bot factories. Their purpose was to undermine the country in question⁵.

In a nutshell, only a small amount of information circulating online and by word of mouth in the public is reliable. This is usually information produced by specialists, scientists, very experienced science popularizers or science journalists. It should also be the task of a self-respecting media to create authorities, i.e., people who are trusted by the public. It should also be the task of the media to filter information, to separate credible from questionable or even false information, or at least to indicate which of the information propagated in e.g., social media is wrong or questionable.

For this, the media should have an institutionalised mechanism for quick cooperation with verified experts. After all, their knowledge is intensively accumulated and will systemically require constant updating, as this is the nature of a proper scientific process.

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⁵ Jerzy Duszyński (ed.) "Understanding covid-19. Development of the team at the President of the Polish Academy of Sciences". Warsaw 2020, pp. 43-44.