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**THE IMPORTANCE OF THE 500 PLUS FAMILY PROGRAM AS AN
IMPACT FACTOR OF FAMILY POLICY IN FAMILY INVESTMENT
IN POLAND**

**ZNACZENIE WPROWADZENIA PROGRAMU RODZINA 500 PLUS
JAKO ISTOTNEGO CZYNNIKA KOMPLEKSOWEJ
INWESTYCYJNEJ POLITYKI RODZINNEJ W POLSCE**

**ВАЖНОСТЬ РЕАЛИЗАЦИИ СЕМЬИ 500 PLUS AS ЖИЗНЕННО
ВАЖНЫЙ ФАКТОР КОМПЛЕКСНЫХ ИНВЕСТИЦИОННЫЕ
СЕМЕЙНОЙ ПОЛИТИКИ В ПОЛЬШЕ**

Abstract

In Poland since the beginning of the systemic transformation of the 1990s, the relatively low incomes of many families have been relatively low. Similar relationships exist in terms of material, housing and financial savings. Launched in April 2016, the 500 Plus Program contributes to a significant reduction in the scale of this socially and economically disadvantageous relationship, i.e. the current lowest profitability in families with many children. Moreover, the profitability and generating of surplus financial households in Poland are on average several times lower than in the financial situation of families in Western European countries. The strategic goal in this way of developing family policy

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is to increase the fertility in Poland in the coming years, which is to counteract the unfavorable demographic trends of the aging population. It is now assumed that the 500 Plus Program should work positively on the strategic socio-economic objective of reducing the demographic aging of the population, i.e. limiting the potential for publication in the perspective of the next few years of insolvency conducted by the Social Insurance Institution of the participatory pension system. The 500 Plus program is an important instrument for a comprehensive family investment policy in Poland.

Keywords: 500 Plus program, family policy, social policy, income, demography, financial situation, family, households, society.

Streszczenie

W Polsce od początku transformacji systemowej lat 90. relatywnie najniższe dochody osiągały rodziny wielodzietne. Podobne relacje kształtują się w zakresie sytuacji materialnej, mieszkaniowej i w zakresie generowanych oszczędności finansowych. Urucho miony w kwietniu 2016 roku Program 500 Plus przyczynia się do znaczącego zmniejszenia skali tej niekorzystnej społecznie i ekonomicznie relacji tj. dotychczasowej najniższej dochodowości w rodzinach wielodzietnych. Poza tym dochodowość i generowanie nadwyżek finansowych gospodarstw domowych w Polsce jest średnio kilkukrotnie niższa w porównaniu z sytuacją finansową rodzin w krajach Europy Zachodniej. Celem strategicznym w ten sposób rozwijanej polityki rodzinnej jest zwiększenie dzietności w kolejnych latach w Polsce, co ma przeciwdziałać niekorzystnym tendencjom demograficznym starzenia się społeczeństwa. Obecnie przyjmuje się, że Program 500 Plus powinien pozytywnie zadziałać w kwestii strategicznego celu społeczno-gospodarczego ograniczenia skali demograficznego procesu starzenia się społeczeństwa tj. ograniczenia potencjalnej możliwości ogłoszenia w perspektywie kolejnych kilkudziesięciu lat niewypłacalności prowadzonego przez Zakład Ubezpieczeń Społecznych partycypacyjnego systemu emerytalnego. Program 500 Plus jest istotnym instrumentem kompleksowej inwestycyjnej polityki rodzinnej w Polsce.

Słowa kluczowe: program 500 Plus, polityka rodzinna, polityka społeczna, dochody, demografia, sytuacja materialna, rodzina, gospodarstwa domowe, społeczeństwo.

Аннотация

В Польше с начала 90-х годов преобразования достигли относительно малосемей с большим количеством детей. Подобные отношения формируются в области материального положения, жилищного строительства и с точки зрения экономики генерируемых финансовых средств. Запущенная в апреле 2016 года, программа 500 Плюс способствует значительному сокращению бесконечной шкалы социально и экономически невыгодному отношению, то есть текущая низкая рентабельность в больших семьях. Кроме того, рентабельность и генерирование финансовых средств домохозяйствами в Польше в несколько раз ниже, чем в среднем по сравнению с финансовым положением семей в Западной Европе. Стратегическая цель этого ниспадающего показателя семейной

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политики является повышение рождаемости в последующие годы в Польше, которая является для борьбы с негативными демографическими тенденциями старения населения. В настоящее время предполагается, что программа 500 Плюс должна работать положительно в отношении стратегической цели социально-экономических ограничений масштабов демографического старения населения, то есть ограничение объявления потенциальных возможностей в ближайшие годы контроль проведенного неплатежеспособностью пенсионного участия системы социального страхования. 500 Плюс является важным инструментом инвестиционной всеобъемлющей семейной политики в Польше.

Ключевые слова: 500 Plus программа, семейная политика, социальная политика, доходы, демография, финансовое положение, семья, домашнее хозяйство, общество.

Introduction

The Polish economy during the last quarter of a century has undergone a profound economic transformation, which has involved the process of system transformation, the adjustment of economic processes to the standards of Western European countries, the entry into the European Union market structures and the continual influence of economic globalization. These processes shaping many economic aspects of the functioning of the Polish economy simultaneously influenced social conditions and modeled the development of Polish society. This development, despite the fact that it was concerned with various social factors, was, however, taking place when the demographic decline of the Polish society was suppressed or even in some years of negative fertility rate. In the 1990s, i.e. the initial phase of the transformation process of the Polish economy, this unfavorable economic factor of the zero birth rate of the population in Poland was not considered as key, especially since the scale of the problem was smaller [Z. Tyszka, 2001, p. 38]. However, since the late 1990s it has been noticed by demographers and economists. From the beginning of the present century, the problem of declining demographic growth in

Poland has intensified and this time it has become the subject of many debates and discussions in the context of potentially adverse future economic processes.

It is now assumed that the process of reconstruction and stabilization of the Polish market economy started in 1989, and that the process of reconstruction proceeded in a generally effective manner, the income of the population, the families in the aggregate, increased gradually. However, not only positive aspects appeared in this process. The development of new patterns of consumer behavior was also influenced by factors interpreted by citizens, families as negative as the increase in unemployment in periods of economic downturn on the domestic economy, especially in the years 2001-2003 and 2009-2012, i.e. in periods, a decrease in output and income and a significant increase in the unemployment rate. Significant increase in the unemployment rate in periods of economic growth of the domestic economy, relatively low remuneration for performed work and rising inflation contributed to the poorer part of families in Poland [K. Rzyman, 2014]. These socially and economically disadvantaged processes have intensified in the periods of greater declines in production and recorded

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real incomes following the emergence of global financial and economic crises and in some other countries also economic crises [M. Jarosz, 2013, p. 25]. These unfavorable economic processes have been more successful in small towns in regions with low industrialization. In such a situation, in families with incomes below the national average of average wages, the structure of household budget expenditures and the realization of consumption is essentially equal to satisfying the most elementary socio-economic needs of citizens, families households [P. Łysoń, ed., 2016, p. 47].

In every developed civilization, socially and economically, the family is treated as a basic unit and in sociological, social and economic terms it is recognized as a key subject of every civilized country. In economic terms, the family is interpreted mainly from the point of view of the economic and financial aspects of running a household. In this view, ie in the field of income generation, savings and consumption analysis, household consumption is the most important, elementary entity of modern economies. The significance of this statement is emphasized by the fact that these entities are practically the entire community of the country [S. Cudak, E. Adasiewicz, 2014, p. 45].

In civilized and economically developed countries, the social and economic

sphere determines the key areas of functioning of modern families, including in Poland. Social aspects of family functioning in multidimensional and multifaceted intertwine with the economic determinants shaping the process of running households. Running a household involves the necessity of day-to-day decisions regarding the various social and economic aspects of family life. The economic aspects of decisions are often related to household budgets, including related revenue generation issues, current consumption spending, and saved funds or other categories of capital as energy savings for meeting the planned objectives for longer periods [M. Rogal, 2016, p. 48].

The high priority of marriage and family in Poland is also emphasized in the Basic Law, ie the Constitution of the Republic of Poland, in which Article 18 states that "marriage as a union between man and woman, family, maternity and parenthood are under protection and care of the Republic of Poland ". It is therefore generally accepted that marriage and the family are the basis of social life, and therefore, in the process of shaping the socio-economic policy of the state, it is particularly important to care for their good economic and material condition and also in other important social aspects. [F. Adamski, 2002, p. 51].

1. Economic and social functions of households in developed countries

In today's developed economy, households are principally engaged in consumption. When meeting the needs and making economic decisions, family members as consumers draw attention to such determinants as income, product and service prices, the impact of advertising campaigns, current fashion trends, and recommendations from other consumers. Households aim to

maximize the satisfaction of their needs with specific, limited income. Economic decision-making influences the material status of households and is determined by the financial situation of families and citizens who contribute to the family.

The economic aspects of household-based decisions regarding consumption, spending and saving of current financial surpluses are

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multi-criterionally linked and correlated. Financial savings arise when the surplus remains after the costs of running a household and restoring basic necessities. Opportunities for generating growth are increased when purchasing power increases [C. Bywalec, 2012, p. 32]. In this situation, spending opportunities, consumption may increase and thus other needs may be met, usually from a group of needs classified to "higher" according to the concept of the Maslow Pyramid. The results of these decisions are also analyzed in macroeconomic terms by means of income, consumption and savings compared to GDP. An important determinant of the macroeconomic and financial situation of families is the ability to accumulate wealth in households by saving generalized financial surpluses. The key factor contributing to this potential is the growing rate of production growth, the economic growth of the country, the decline in the unemployment rate and the increase in real incomes, ie the purchasing power of salaries earned from paid employment or business activity by household members. -mowych. In the longer periods of time, the quality of the offer of investment products offered to citizens by commercial banks operating in Poland is also influenced by the increase in wealth. It is important therefore to make economic decisions to choose the type of investment, deposit or investment funds to safely store financial surpluses or to choose the capital market instruments in order to try to obtain high returns on financial investments at a certain investment risk. [E. Szczerbak, 2014]. In the choice of the latter forms of financial surpluses, eg in venture capital funds, the current situation in financial markets, capital markets, stock exchanges, especially in the context of the economic situation in these markets, and the degree of efficiency functioning of these markets is crucial [D. Prokopowicz, A. Dmowski, 2010, p. 317].

Households are responsible for the key portion of tax revenue to the state budget on VAT, tax and other taxes and fees, which is related to revenues, consumption and saving of financial surpluses. On the latter issue, ie savings in investment financial instruments offered by commercial banks, a source of income for the state budget is the income tax called the "Belka tax" [D. Prokopowicz, A. Dmowski, J. Sarnowski, 2008, p. 76]. State institutions are thus maintained mainly by domestic households or families operating in the country. In return, the State offers a package of public goods and provides system security for several basic categories of security, such as the security of the classical maintenance of the armed forces and the law enforcement services through education, health care and social security, including more and more expenditures for pensions. However, in the situation of inefficient socio-economic policy and the so-called "expensive state" or the maintenance of unprofitable branches of the economy, the offer of public goods offered directly or indirectly to families will be significantly reduced and disproportionately smaller than it should result from the "financing" of those goods by tax receipts collected from households. In such a situation, it is necessary to carry out a reform of the social policy towards families and economic policy for enterprises and indirectly for the entire national economy. A key aspect of this reform in the area of social policy, including family needs and pro-investment issues, is the April 500 Plus Family Program launched in April 2016. This program is generally well implemented, but as announced by Minister Elżbieta Rafalska who directs the Minister for Family, Labor and Social Policy, analyzed in this paper, the 500 Plus Family Program will be reviewed and successively refined for effectiveness. [N. Lutowski, 2016]. Consequently, in this type of complex and complex economic problems, the state is engaged in the design and implementation

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of specific interventions in socio-economic policy. The success of all socio-economic applied policies depends on how much the used policy instruments will be effective and will be applied in a timely manner in relation to the generational social and economic problems. This policy is usually the key instrument of an intervention program to prevent or limit the adverse effects of time-sensitive demographic, social and economic problems in a given society. The main distinguishing feature of such programs, which are part of the socio-economic policy instrument, is that they are not an ad hoc interventionist measure launched for a year or two before the parliamentary elections but are programs of long-term action and use of a specific instrument of socio-economic policy in the period a few years or even several decades, during the time of functioning of a given generation of people in society. It is crucial to plan and implement this type of socio-economic policy instrument in such a way that it is an apolitical program that is implemented on a long-term basis irrespective of the varying

composition of political options in the institutions in power in a given country. On the other hand, in the context of a downturn in the domestic economy, ie decline in production, income, employment, investment, etc., in the context of the multiannual cyclical nature analysis, the state should launch additional instruments within the framework of state interventions supporting the applied a multi-annual and apolitical program to support socio-economic development as a key factor in socio-economic policy [D. Prokopowicz, S. Gwoździewicz, 2015, p. 49]. Such a program, planned for many years and in apolitical terms, should be the 500 Plus Family Program and the Apartment Plus Program launched in December 2016.

2. Determinants of demographic and economic reforms of the family social policy

According to current forecasts, the population of Poland by 2060 will decrease by about 5 million people (up to 33.2 million), the number of people aged 65+ will reach almost 11 million (33% of the population), and the number of people of working age will drop by 9 million - from about 27 million to 18 million. Some three-pronged centers draw even more pessimistic predictions. According to the Janusz Korczak Institute of Social Innovation, in 2050 may be six million Poles less than at the moment due to demographic changes and low birth rates. The basis for this projection is the statistical data with which generation substitution is obtained with a fertility index of 2.14 [Family 500+, ..., 2015, p. 4]. At this moment in Poland we have a fertility rate of 1.3. These disturbing figures are published

by the European Commission, The 2015 Ageing Report. The 2015 Ageing Report marks Poland as one of the countries most affected by the demise of aging society. In Poland, the proportion of people who do not work of age 65+ to the working population will change from 21% in 2013 to over 61% in 2060. This will be, after Slovakia, the highest growth among the countries of the European Union. Economists have pointed out for many years that Poland, with growing public debt, which is a member of the European Union, should be modeled in many other European countries in terms of reforming public finances, mainly in the state budgetary policy. As suggested by economists, the pressure to undertake and carry out these public finance reforms in the coming years

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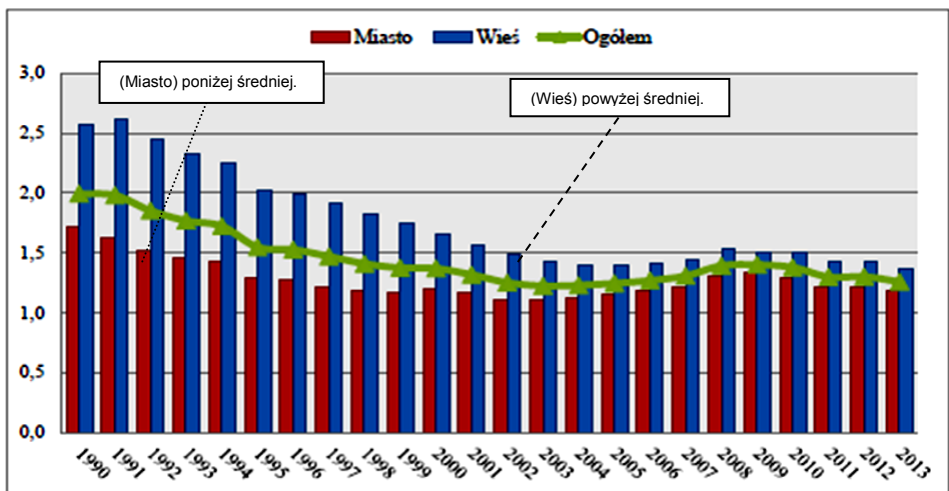
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may grow steadily, which is determined by the growth of public debt in Poland. Currently, this debt in relation to GDP in Poland is approaching 60%. In this place it should be added that such a defined level of debt is by definition of the so-called. It does not take into account many of the public finances not counted by the Polish Ministry of Finance in this presented and publicly disclosed category of debt, hidden debt. The recent reform of the pension system, which involves redeeming the State's financial obligations towards future pensioners included in the 2 pillar of pension fund of the OPF system and replacing these real liabilities with only the formal accounting records of the pensions paid by the Social

Insurance Institution has significantly decreased this hidden debt. The estimates of demographics show that in recent years it has significantly accelerated the aging process of Poles. Several sources of this unfavorable outcome for the national economy were identified, including the decline of the fertility rate, ie births of children in families in Poland, trips abroad in search of work mainly of younger Poles and progress in medicine. One of the key determinants of the demographic aging process in Poland over the past decade is the decline in the fertility rate. The magnitude of this problem is shown in the table below.

Chart 5. The fertility rate in Poland in the years 1990-2013.



Source: *Basic information on the demographic development in Poland to 2013*, the Report of the Central Statistical Office (GUS), GUS publication, Warsaw 2014, p. 4.

At present, economists agree that the relatively fast progressing aging of Poland in the absence of proper family policy could become a serious burden for the effective development of the Polish economy in the next few years and decades. The medium-term perspective of over a dozen or so years

concerned the prolonged deepening demographic decline, which would entail a decrease in employment in the education sector and then there could be problems on the labor market, which meant too little of those hands to work in the segment of younger-age citizens entering the labor market. On the other hand, long-term prospects than the demographic and the deeper

aging of society would lead to continuation of financial problems in the public pension system based on the Social Insurance Fund maintained in Poland by the Social Insurance Institution. These successive problems in the public participating pension system would inevitably lead to a decrease in the coefficient of replacement in the relationship of the citizen showing the income and the level of paid pensions, despite the successively extended retirement age. In the participatory pension system, ie the one that works in Poland, those who work and pay taxes and benefits to the Social Insurance Institution provide this public system with financial means to pay current pensions to people who are now at retirement age or have pensions. In the situation of deepening of the population aging, the automatic allocation of these funds to pensioners will be reduced. Similar problems could also be aggravated in the public health system. Consequently, counteracting these unfavorable demographic trends should be a key priority in the government's social policy objectives [N. Morel, B. Palier, J. Palme, 2015, p. 47].

These socially and economically unfavorable demographic processes are already reflected in the demographic structure of the Polish society, and especially in the case when the fertility rates are also included in the study of this structure. On the basis of CSO data it was shown that in the range of families conducting households in Poland in 2011, the largest group was childless couples and constituted 23.4% of the general number of families. In addition, the second largest group of households, accounting for 20.1%. The remainder of the families were the families with non-dependent children. On the other hand, marriages with 1 or 2 dependent children and marriages with at least 1 dependent child and others accounted for a similar proportion of the total household size, ranging from 13.1 % to 12.2 % of the total. Only 5.5 % of the families were marriages with at

least 3 dependent children [Living conditions of families in Poland, ..., 2014, p. 28].

According to GUS data, in 2011, there were only 1 child per household in Poland. The fertility rate in the cities was 0.8 per child in the rural areas, slightly more than 1.2 per child. In terms of all categories of families, the largest group of families with children aged 24 and under were married with 80.7% in relation to all families with children. Taking into account the statistic approach the next group in terms of numbers were single mothers who were self-raising children i.e. 10.1 % against the background of the total families with dependent children up to the age of 24 [Living conditions of the family in Poland, ..., 2014, p. 29].

On the other hand, these predicted unfavorable demographic changes will further undermine the effectiveness of the participatory pension system. This system will be increasingly economically inefficient and will be increasingly difficult to reform in the future. The pension insurance participation system is essentially based on the concept of substitution of generations, ie a formula which, with the progressive aging of society, is becoming less and less likely to overtake the continuation of state management of this system by the state. Consequently, in recent years, this system has become increasingly indebted to the economy, contributing to the gradual deterioration of the productive potential, economic and social potential of the Polish economy. In the absence of appropriate social policy reforms aimed at increasing the fertility rate in Poland, the problem of unfavorable demographic changes, ie the continuation of an aging population, may deepen in the future. At that time, the question of the substitution of generations, i.e. the necessary factor to maintain the pension system, would be less and less, mainly in the form

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of a public participation system. The gradual diminishing of this replacement of generations in the context of the ongoing structural processes of demographic change could further escalate social problems in the future. Without a replacement for generations, the participatory pension system would become progressively more anti-social, generating social conflicts even before the announcement of insolvency. Therefore, the problem of these unfavorable changes in the demographic structure of society in Poland should be the subject of discussions, debates, social consultations on the essence of social justice in social security systems and how much the participatory pension system run by the Social Insurance Institution departed from this essence.

However, the problem of aging of the population is not the only source of prospective potential possibility for the economic failure of the pension system in its present form of functioning in Poland. According to economists' forecasts, without the introduction of necessary reforms by the current government would mean that in the future, currently employed Poles would receive a relatively low replacement rate of pension at an average of only a maximum of 30 % of his average salary from last years of professional activity. This low 30% current rate that the Poles are largely owed due to the anti-pension reform carried out a few years ago, on the basis of which the almost complete dismantling of the pillar of the pension system, i.e. the only system of the real "moneybox" of future pensioners organized in the form of financial means deposited in OPF funds. The previous government managed to dismantle the capitol pillar of the pension system by cashing 60% of the private capital accumulated in these funds by future pensioners. By nationalization of these funds, they were transferred to the Social Insurance Institution (ZUS) for the purpose of discharging the Social Insurance Fund, which was limited to only two

years. In spite of this diminishing of the capital pillar and the "recapitalization" of these funds, the ZUS is still expected to be more and more deficient as pensioners can not count on high pensions in such a structured system. By this ad hoc "recapitalization" of the Social Insurance Institution (ZUS) and the anti-pension reform carried out several years ago in this way the pension system has become potentially more insolvent in the future and the level of pension system resilience to unfavorable downturns of the domestic economy in the future and the associated risks was significantly reduced. This was done by anti-reform because the mechanism was essentially opposite to the reform of the pension system introduced in 1999 when a diversified system was introduced, also based on the second pillar built at the time of the Open Pension Funds .

In order to counteract these unfavorable demographic processes, the present government in Poland has undertaken to implement a family policy plan on a scale not seen so far in Poland since 1989, which emphasizes a completely new strategic approach in shaping the state's social-economic policy. This completely new strategic approach assumes the planning and implementation of socio-economic policies for a long-term, multiannual perspective, ie taking into account the demographic and economic forecasts, social and economic consequences of these processes for the next several to ten years. With such a serious and critical problem as the deepening of the aging process in Poland over the last ten years, the application of necessary reforms in key areas of social policy is imminent. However, the use of the long-term perspective to plan specific solutions for this policy may prove to be very effective in achieving the goals [A. Durasiewicz, 2011, p. 72]. Taking into account short- and medium-term goals, ie for periods of several quarters and several and a dozen years, the reform of

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family policy should improve the situation on the labor market and maintain a certain level of domestic consumption. On the other hand, the realization of long-term goals, ie for a period of several decades, is connected with counteracting the crisis of public finances of the state due to the present forecast of growing economic inefficiency and the increasing deficit in the ZUS budget filled with transfers. from the state budget.

Consequently, the current government, as expected by voters who also think about their future and their children's future as the first since 1989, has begun to reform and implement the key segments of socio-economic policy, the long-term goals of those present and already recognized by the demographics and economists as necessary. One of the segments of this kind of socio-economic policy reform is the creation and implementation of a family policy that would provide both financial and security support for the existence of citizens in Poland in a way that Poles can afford, maintain and raise children. Today, a significant part of this reform of social policy, which aims to increase fertility, i.e. increasing generation substitution and reducing the negative demographic aging process, is a program of financial support for families bringing up children. The reform process undertaken in this way will be implemented comprehensively by successively introducing into the implementation of subsequent pro-family segments of the social policy. One of these software segments of this new policy that is already being implemented is the 500 Plus Family Program. It should be noted that the term "new" family policy refers primarily to the scale of the program, which according to the plan of this Program is to be introduced in Poland. Considering

this issue, it should be noted that it's been the first such large scale family planning program since 1989.

It is now widely accepted that in the absence of the necessary reforms of social and economic policy, the aging process of society in Poland would be deepened, and at that time the scale of the unfavorable functioning of the above-described economic processes in the future would be even greater. Among others, currently defined as 30%, the above mentioned replacement rate would actually be still significantly lower. In view of the above, the aim of counteracting the currently unfolding demographic and economic downturns in the population and the increasing risk of inactivity of the participatory retirement system, the current government has undertaken to introduce a new social family policy in Poland, is to increase the fertility, ie to increase generational substitution and to reduce the scale of the process of socialization. The smooth implementation of the reform of the family policy should significantly reduce the rate of unfavorable economic and societal point of view of changes in demographic structure of society in Poland. Thus, the questions related to the shaping of social family policy in Poland should not be formulated in the form of: Is it worth reforming social policy? Rather, one should seek the answer to the question: how to do it effectively?

Taking into account the extreme unfavorable trends for the future Polish economy, the changes in the demographic structure of society for the next minimum of 20-30 years, it is indisputable that it is now virtually the last moment to introduce and implement this kind of family policy program.

3. The 500 Plus Family Program as a social investment in the future economic development of the country

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As a result, there is an urgent need to build a new family policy. This new pro-family policy is now referred to as the 500 Plus Family Program. It should be noted that the term "new" family policy refers primarily to the scale of the program, which according to the plan of this Program is to be introduced in Poland. Taking into account this issue, it should be noted that it's been the first such large-scale program of family policy since 1989. In Poland, as in many other countries in Europe, the fertility crisis is characterized by a lack of generation renewal and population aging. The potential implications of these processes in the sphere of economy and social life are not difficult to diagnose. On the other hand, a number of social and economic processes unfavorable to the national economy have been observed from the research of similar demographic change processes that started earlier in this way in other countries [A. Durasiewicz, 2014, p. 78]. Observing unfavorable economic changes in demographic structure of society in Poland prompt politicians to formulate proposals for solutions aimed at encouraging citizens to decide to have and raise more children. In addition, various options for the development of systemic support from public institutions are being considered to provide better quality child development, education and home life [J. Frątczak-Muller, 2014, p. 94].

The 500 Plus Family Program has been formulated in the form of social investment so that its assumed that prospective but ongoing positive effects on the economy go far beyond the role of a typical social program. On the normative side, the 500 Plus Family Program refers to Articles 18 and 20 of the Constitution of the Republic of Poland defining the essence and role of family protection and care, taking into account the functioning of the social market economy. According to the definition of a social market economy, on the one hand, is based on the

freedom of economic activity and the legally protected private property. On the other hand, the social market economy relies on solidarity, dialogue and cooperation between the social partners and, as such, the basis of the economic system of the Polish state. The 500 Plus Family Program is an attempt to more fully implement these constitutional provisions in social pro-family politics, because this time it was not reduced to decrease the social polarity of the state which was limited to the excluded and the poorest groups, i.e. the dominant formula in the previous years to 2015. This issue is often diminished and overlooked in the public debate on the 500 Plus Family Program. Accordingly, the Program differs fundamentally from the previously implemented actions of the social policy of the state, primarily because it is not an emergency aid program for selected poorest social groups since it was planned as a pro-family program. In this respect, it's been the first such program of social policy since 1989. [M. Hill, 2010, p. 174].

Since launching this Program in April 2016, it has been assumed that this will be a pro-family program because it has been designed and implemented to become a state investment in the development of the human and social capital of Poles. The key long-term goal of the Program is to significantly increase natural resources in the Polish national society. This significant increase in natural growth is particularly important for fulfilling the current large imbalance in the labor market, ie the lack of labor force in 2050, if the Program is not started. The current lack of hands to work in the future will also mean significant weakening of tax revenues to the state budget. In addition, this imbalance on the labor market, coupled with the economically disadvantaged demographic decline of the growing population, can seriously undermine the economic viability of the so-

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cial security system, including the participatory state pension system in the current formula managed by the Social Insurance Institution. Estimates of economists dealing with this issue of labor supply gap in 2050 are different but most forecasts are in the range of 5-10 million citizens capable to work in Poland [A. Giza, M. Sikorska, 2013, p. 264]. Significant demographic changes in society as an accelerated aging population will also have a very negative impact on the economic viability of a participatory, public pension system run by the Social Insurance Institution. To counteract this unfavorable economic point of view, demographic processes were launched in April 2016 by the Family Program 500 Plus.

Among oppositional political options there is criticism towards the current government that has designed, launched and implemented the Program, there is criticism that this mainstream objective will not be achieved, that the Program will not change anything in terms of halting or significantly reducing the ineffective fast the aging process of the Polish society over the past few years. This criticism at the present time from an objective point of view is quite unjustified because this program is planned on a long-term basis, so the period from April 2016 is too short to be fully reliable to assess the perspectives of the social and demographic effects of its action. However,

even if, after the years of application of this Program, the aging process of the society was not stopped or significantly slowed, then it would not be possible to claim that expenditures from the state budget under this pro-family social policy were just wasted public funds. The basis for this thesis is the key change in the nature of social policy implemented through this Family Program 500 Plus [M. Topolewska, 2016, p. 92]. This change involves the introduction of pro-family and pro-investment character into the social policy of the state. Consequently, even if this happened and turned out to be in 10 or 20 years, despite the fact that the Program did not have significant demographic growth in Poland, there would be certain positive social and economic aspects related to the mentioned issue of investment in society and national economy. Even if there were no significant demographic growth as a result of the Multi-annual Program, a significant change in the quality of life of large families and households would be inevitable. [Family 500+, ..., 2015, p. 8].

The key considerations that have been taken into account when designing the implementation formula for the 500 Plus Family Program are issues related to the quality of life and the economic and social conditions of running households by multi-day families in Poland.

Conclusions

The economical question of the household functioning is the realization of consumption, ie satisfying the needs of the family. In addition to consumption, families make economic decisions about income generation, efficient spending structure, and the allocation of financial surpluses for financial savings. The decisions taken in

this regard may be influenced by changing offers of financial institutions, mainly in the field of commercial deposit and credit banking.

On the basis of the conducted analyzes, it was noted that for several years now there has been an urgent need to build a new fam-

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ily policy whose economic and social impact would be much broader than that of all pro-life instruments of social policy in Poland. This new pro-family policy, implemented much more than before, is based primarily on the Family Plus Program 500 Plus. This program is planned as a social investment so that its assumed prospective but ongoing positive effects on the economy go far beyond the role of a typical social program.

Launched in Poland in April 2016, the 500 Plus Family Program has been the first family proinvestment program since 1989, because it was designed and implemented to become a state investment in the development of the human and social capital of Poles. In the long term, the key long-term goal of the Program should be to significantly increase the natural growth in the Polish national society. Increasing natural growth, or slowing down the demographic aging process, is particularly important for fulfilling the current large imbalance in the labor market, i.e. the lack of hands to work in the next few decades if the Program is not launched. Estimated in the current economic scenarios, the lack of hands to work in the future will also signify significant weakening of tax revenues to the state budget. If, by adopting the 500 Plus Family Program, a long-term strategic goal, i.e. a significant slowdown in the demographic disadvantage of demographic aging, there will be pressure for further reforms of the social security system and even questions about its legitimacy. in the current formula. On the other hand, the data from the end of 2016 indicate a significant increase in the number of births in Poland over previous years. A comparable increase in the number of births in Poland has been recorded only in 2008 in recent years. At present, it is not yet possible to accurately determine what is the participation of the 500 Plus Program in this increase, but it can not be excluded [2016].

The analyzes carried out in this study show that a significant imbalance in the labor market linked to the economically disadvantaged demographic deepening of aging may seriously undermine the economic viability of the social security system in the future, including the participatory. The state pension system in the current formula through the Social Insurance Institution. The 500 Plus Family Program has only recently been launched, so there are no objective, objective reasons for the credible assessment of the long-term social and demographic effects of the program. It is not yet possible to answer the question whether the prospect of a slowdown in the aging process of the population through the use of the 500 Plus Family Program will be achieved because the period from April 2016 is too short to be fully reliable- evaluate the perspectives of the social and demographic effects of its actions.

According to objective and apolitical analyzes currently being carried out, it is assumed that, regardless of whether the long-term effects of using this pro-family social policy tool, such as the issue of demographic growth, are in the future, much remains to be seen that the current effects, short term has already emerged. In terms of these effects of current social policy, there is a significant reduction in the disproportion in the question of income in large families in relation to to the average family income in Poland, including childless families where the level of this income was significantly higher. In previous years, it was clear that the income level of households of large families was significantly lower compared to families with one or no children. In view of the above, the financial aim of this family-oriented social policy is already being fulfilled. Derivatives of the current financial target should appear in positive successive pro-investment social effects.

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Regardless of the long-term effects, the long-term anticipated positive economic effects of using the 500 Plus Family Program should appear in the first years of operation of this Program. Fundamental positively interpreted by economists as a result of the use of the 500 Plus Family Program should be a significant increase in consumer spending and family savings [B. Liberda, 2015, p. 36] and households in subsequent quarters and years. This process will be positively interpreted from the point of view of factors triggering economic growth in Poland. The rate of growth of production, income, etc. in the economy in the previous few years was not impressive as it was a derivative of the global financial crisis of 2008 [B. Jałowiecki, S. Kaprański, ed., 2012, p. 83]. Since the emergence of these financial crises in many developed countries, also in Europe permanent-new instruments of interventionist social and economic policies have been sought, which in the perspective of even a few quarterly or several years of significant improvement of the growth the country's economy. This is an additional important argument for running and developing this Program in Poland. In addition, the forecasted increase in consumption and related expenditure will be related to services of particular importance to improving the social well-being of families in Poland, as some of these expenditures will be related to the achievement of development goals in education, culture, convalescence and sport. There are already objective data of the Central Statistical Office (GUS) or the results of research of independent analytical centers, which confirm these positive trends of consumption activation. These positive trends in consumption growth, as interpreted by economists, have already been confirmed by data on turnover growth at national service points offering services in this area, showing a noticeable increase in these sales since mid-2016, particularly in the domes-

tic tourism industry. paid educational services.

Studies show that families in Poland carry out household chores, achieving significantly lower incomes compared to families living in Western European countries. In some economic aspects, the functioning of families in Poland is already slightly different in terms of statistical standards from European standards. Among other analogous economic aspects of family functioning are, inter alia, the consumption of products and services. The research shows that the level of family consumption in Poland in recent years has been approaching the average in the European Union, while the level of residuals of financial surpluses is still five times lower than the average. In Poland for many years the relatively low incomes have been achieved by the families with many children, i.e. raising up minimum three children. Similar relationships exist in the area of housing and household appliances in durable goods.

In view of the above, the 500 Plus Program significantly reduces the scale of this socially and economically disadvantageous relationship, i.e. the lowest-income families in the long-term. Launched in December 2016, the Plus Apartment Program should likewise positively influence the reduction of social stratification in the housing situation. These programs should significantly reduce these disparities in terms of profitability between large families, families raising one or two children and childless ones. These programs should also positively influence the strategic long-term socio-economic objective of limiting the demographic scale of the demographic aging process, i.e. limiting the potential insolvency of the participatory pension system conducted by the Social Insurance Institution after 2050. It is still too early to evaluate objectively whether this strategic goal of the implemented pro-family social policy will be realized and to what extent the 500

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