



Collegium of Socio-economics

PhD Thesis

Field: Social sciences

Discipline: Public policy

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**The process of introducing and functioning of Open
Pension Funds as an element of the reform of the pension
security system in Poland**

Promoter

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Summary

The system of pension security, which aims to ensure the financial sustainability of future pensioners, has undergone significant changes over the past two decades. These reforms, while aimed at adapting to changing economic and demographic conditions, have not always met citizens' expectations of certainty and predictability. The introduction of OFEs was a key step in these transformations, aimed at increasing the efficiency of pension savings accumulation. Pension reforms in Poland, introduced since the 1990s, have triggered a wide public debate. These discussions involved a variety of communities. Those in favour of maintaining the revised system argued that it only needed minor adjustments, while opponents demanded the abolition of the OFEs. At the centre of the debate was the question of the efficiency of the reform's management, which was crucial for assessing its success or failure, rather than the idea of changing the system itself.

The main objective of dissertation is to analyse the process of reforming the pension system in Poland, the introduction and functioning of OFEs as the main element of these changes and the role of institutions and stakeholders in this process. The presented research aims at analysing and explaining the conditions and course of the process of formation and implementation of OFEs. The research posits that the introduction of OFEs was the result of the co-occurrence of various determinants and influences of actors active in pension policy, and that the process of OFE functioning was subject to numerous, sometimes chaotic changes of a political and economic nature. The research assumes that the successive reforms of the pension system were the result of a confluence of different processes of a political, economic and social nature. The research, conducted in the perspective of theories from the field of political and administrative sciences, including mainly public policy sciences, aims to identify and analyse the most crucial stages and turning points in the process of creating and modifying the OFE system, as well as to identify the actors (e.g. institutions, interest groups, experts) that had the greatest influence on the shape of the reforms during these stages. The research also draws on selected theories of change in public policy.

The thesis posits a hypothesis of a multi-stage reform process, which, due to changing conditions, was modified and ultimately failed to achieve the originally envisaged goal. The original objectives of the reform were primarily social, as the aim was to ensure financial security for future pensioners. In contrast, the objectives in later stages changed to a more financial one. It is also assumed that OFEs have become a problematic element of public policy due to the growing disparity between expectations and actual investment performance, which

has led to a decline in public confidence and triggered a debate about their effectiveness and future. Moreover, the different stages of pension policy reform in Poland were the result of a confluence of different processes of a political, economic and social nature. As a result of the confluence of various processes, trends and events, a situation occurred when the so-called "window of opportunity" was created, according to the theory of J. W. Kingdon's theory, through which a given change could be introduced.

The design and introduction of the new pension system in 1999 was the result of the action of broad coalitions consisting not only of political groupings, but also of experts, academics, research centres, economic and social organisations, etc. Thanks to such a broad coalition acting in favour of the reform, a political and social consensus was developed to enable in-depth changes. In the subsequent stages of policy reform, such broad and cohesive alliances as in the first stage were no longer present. Additionally, the dissertation assumes that policy decisions were influenced by different stakeholders during the reform process. Decisions on the introduction of OFEs and subsequent changes in the functioning of the pension system were the result of negotiations between the government, financial institutions and business and social organisations. The positions and opinions of stakeholders, including financial institutions, business associations, NGOs, experts and academics, were taken into account in the OFE reform process, but their real influence on the final decisions was limited by the government's political priorities.

The study used the desk research method and individual in-depth interviews with key experts and stakeholders involved in the reform process at its various stages. An analysis of found data was used: official documents and legal regulations from the period under study, analyses and expert opinions, data from research and expert centres (e.g. CSO, Eurostat, CBOS, think tanks, etc.), as well as scientific literature on pension system reform in Poland. Above all, the method of historical-comparative analysis was applied in order to trace and explain the complex and lengthy process of creating and shaping the OFE system in Poland and to identify its most important stages, as well as to define the importance and role of individual public institutions and external stakeholders and to characterise the political, social and economic conditions of this process.