

Political polarization and parliamentary voting on economic policies:

The case of Poland 2005-2019

Economic factors have been commonly assumed important in shaping the level of political conflict and there has been a growing recognition that a fierce fight between opposing points of view can significantly affect the economy. The available literature provides strong support for the existence of a connection between political polarization and the functioning of the economy. However, there are serious challenges regarding these spheres that have to be considered. Namely, it would be desirable to improve our understanding of the specific transmission channels through which the documented effects of political polarization on the economy can take place. Another challenge is to complement the existing studies with the evidence coming from a different institutional and geographical context. The third challenge for future research is to provide new analytical tools to assess the role of political polarization in shaping economic outcomes.

The project aims at taking a closer look at political polarization in Poland and its potential repercussions for economic affairs. Our focus will be on political elite polarization and the decision that each political party and individual politician make when a vote is held in a parliament. In order to measure the latter, voting behaviour of Polish Members of Parliament (MPs) will be analyzed. The analysis will cover the period 2005-2019. The time span of the project covers the period when the country was ruled by one of the two centre-right wing parties, either the *Civic Platform (Platforma Obywatelska; PO)* or the *Law and Justice (Prawo i Sprawiedliwość; PiS)*. Further, and equally important given our focus, the time that the project plans to cover is the time of an increasing animosity between the two parties.

To the extent political stage is really polarised we expect to find that in most (if not in all) instances the two opposing camps vote differently from each other and finding a consensus between them is very difficult, if possible at all. With the help of econometric tools and network analysis we will investigate to what extent parties, and individual MPs with different party affiliation, increasingly agree or disagree on various policy issues (as reflected by their voting behaviour). The specific attention will be paid to comparing economic issues vis-à-vis other matters. As regards the former, our focus will be on votes on welfare policies (e.g. support for large families, retirement age), changes to existing taxes (e.g. VAT) or budget acts. This perspective will allow us to check whether political conflict affects economic and non-economic affairs differently. Furthermore, we should be able to see if voting on economic issues during economic upheaval or before key meetings of the European Council provides the feuding camps with an opportunity to cease fire or, to the contrary, it adds fuel to the flame. While it is difficult to make a priori specific predictions about the relationship in question, it is definitely of interest to achieve a better understanding of the nature and potential consequences of political conflict.