

Russian-Ukrainian war and Poland's economic challenges

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Introduction

- Poland has been supporting Ukraine with all possible means, both military and economic, since the Russian attack on Ukraine on February 24, 2022.
- In the first months of the war, about 6 million Ukrainians entered Poland, half of whom decided to stay in Poland (the large majority of them are women with children and older people)
- Since the beginning of the war, Poland has also provided humanitarian aid both within Ukraine and in Poland itself.
- The vast majority of the Poles are in favor of providing support to the armed forces of Ukraine and helping Ukrainians in Poland

Negative economic consequences of the war

- the most serious economic effect of the war was first to reduce and then completely stop the supply of Russian raw materials (oil, natural gas, coal)
- it was necessary to find new suppliers of these raw materials
- Poland's economy faced the threat of limiting or stopping production, fortunately this did not happen
- there was, however, another very serious problem, namely inflation, which in March reached 18% and was twice as high as the average in EU countries (currently 15%)

- GDP growth fall from 6.5% in 2021 to 0.5 in 2023
- restriction of investments due to unstable situation
- outflow of workers from Ukraine who have returned to the country to fight
- disruption of the supply chain from Ukraine and also Russia
- some problems for Polish agriculture caused by the import of cheap agricultural goods from Ukraine

Opportunities for the Polish economy

- War is, above all, a great opportunity for the Polish arms industry
- The war definitely accelerated the process of diversifying the supply of raw materials necessary for industrial production
- The war has increased interest in using new energy sources (green energy)
- The war also creates opportunities for Polish companies to develop exports to Ukraine of goods that are in short supply there
- during the war, Poland became a principal logistical hub for military and civilian aid transferred to Ukraine and it is in Poland's economic interest to maintain this position after the end of the war

- Strengthen geopolitical and, in the long term, economic position of Poland in Europe (inflow of foreign investment)
- Poland as a natural partner, after the end of the war, in the reconstruction of Ukraine (special companies from industries such as construction, energy, logistics and those related to city planning and broadly understood infrastructure)
- Immigrants from Ukraine support Polish economy through consumption