

POLAND: JUDGES, POWER, AND PIS'S EFFORT TO **COMPLETE ITS REVOLUTION**

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OVERVIEW

- Poland's Law and Justice (PiS) government is vying for more power so that it can stay in office. Its ability to do so will depend largely on how it reacts to sustained, mostly quiet pressure from European and – perhaps eventually – U.S. leaders, backed by threats to suspend Poland's EU voting rights and withhold EU funding important for infrastructure improvements.
- The PiS government is borrowing from its regional partner Hungary, but differences in domestic politics may limit its ability to succeed. Unlike in Hungary, where Prime Minister Viktor Orban returned to power after scandal and ineffectiveness gutted the political opposition, the Polish political opposition has recovered and closed the gap. In addition, Poland - "God's playground" between Germany and Russia - relies on its European and transatlantic relationships for protection from its powerful neighbors. As a result, even the PiS authorities may find themselves unable to sustain the drive toward single party rule that has characterized Hungary's last decade.
- The immediate dispute centers on several controversial judicial reform bills proposed in recent days. The first bill would strip the National Council on the Judiciary (KRS), a body tasked with appointing judges and overseeing the functioning of Polish courts, of its independence by giving Parliament the power to appoint the Council's administrators. The second bill would allow the Justice Minister to sack common court judges at his discretion over the next six months. A third bill that would immediately dismiss all Supreme Court judges was proposed without public consultation just hours after the first two were passed – at 2:30 a.m. in the morning.
- These latest moves by PiS have prompted large street protests in Warsaw and around the country. On July 21, an estimated 50,000 demonstrated outside the Presidential palace. Opposition parties, international organizations, and several prominent European Union (EU) officials have charged PiS with violating the separation of powers and stacking the political system in its favor.
- The two bills on the KRS and the common courts have been passed by Parliament and are awaiting to be signed into law by Polish President Andrzej Duda. The Supreme Court bill was passed by the lower house of Parliament on July 20, after intense public protests and 1,300 proposed

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amendments by the opposition. The bill is expected to be approved by the upper chamber later today, July 21. In response to pressure, PiS has proposed a compromise to the Supreme Court bill that would have the KRS, rather than the justice minister, decide which judges are fired.

- In perhaps its most forceful statement to date on Poland, on July 18 the European Commission announced that it is considering the unprecedented step of triggering Article 7 of the Treaty on European Union, which would strip Poland of its voting rights in Brussels. Commission Vice President Frans Timmermans has called on EU member states to prepare for Article 7 procedures to begin next week. The European Parliament has also been swift in its condemnation, though it has few levers other than its bully pulpit to take action.
- The U.S. has remained silent on the proposed laws. This, along with Trump's visit earlier in the month, has emboldened those within the Polish government that believe they can discount the EU because the government will retain U.S. and NATO support regardless of its controversial domestic program.

<u>ASG's Europe Practice</u> has extensive experience helping clients navigate markets across Europe. For questions or to arrange a follow-up conversation please contact Chris Maroshegyi, <u>cmaroshegyi@albrightstonebridge.com</u>.