

The Karol Adamiecki University of Economics  
in Katowice

Volume 2

2005

*Journal of*

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**Economics &  
Management**

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**THE ROLE OF PSYCHOLOGY  
IN THE PERIOD OF ECONOMIC  
TRANSFORMATION IN POLAND**

## Introduction

For psychology, the economic transformations that are taking place in post-communist countries mean the necessity to enter the area of interdisciplinary research. The introduction of the market economy was accompanied by such phenomena as unemployment, previously not existing here, renouncing by the state its social welfare function, growing commercialisation of housing, health care, educational and cultural services, etc. They were bound to affect every member of the society, irrespective of their economic knowledge and understanding the transformations going on in the economy.

Further stratification of the society is still proceeding. Against the background of luxurious consumption of not numerous part of the society and the well supplied market, the considerable areas of poverty have occurred. Although there is no simple relationship between the living standard – a low living standard does not necessary mean a low quality of life (cf Sowińska 1999) – living conditions of the Polish people are far away from their expectations. The satisfaction often results from lowered incomes but also the fact that in the nineties' a considerable increase of the consumption needs occurred. A very rich offer of various goods and services aroused new consumption needs that in the time of socialism were completely not realised (since their satisfaction was not possible). Luxurious goods have become so easy to purchase that even people reputed as well-off have found out that their resources are limited. The rich market offer and commercial availability of all goods intensifies frustration and deepens the sense of stringency.

The discussed changes in the economic system, although in the macro scale, significantly affect everybody's life. They have an impact on the individual's situation in two ways (Beskid, Milic-Czerniak & Sufin 1995):

- 1) directly – through the new conditions which on the one hand can foster growth and on the other hand they can restrain and create all type of difficult, stressful situations;
- 2) indirectly – the new economic environment imposes on the society the market rights philosophy, thus forcing new valuations, choices and behaviours, both at work and in the scope of consumption.

The introduction of market and democracy has been accompanied by a new ideology and a value system related to it. The key role is played here by a vision of man as an active, enterprising person who is self-reliable, conscious of his own goals and manners of achieving them. However, changes in social

mentality and consciousness proceed much slower than the economic phenomena. This endangers an effective adaptation to quickly implemented system transformations. Flexibility in adjusting to the new economic reality is based on a complicated system of both objective and subjective phenomena.

The adaptation to free market economy requirements of a person who has encountered new challenges and threats is a problem that must be profoundly analysed by the economic psychology. A person who lives and acts in a specific economic reality can be considered both as an object affected by various factors of that reality and as a subject consciously transforming it according to one's needs, goals and representations.

## **New tasks faced by the economic psychology**

The system changes that Poland is currently undergoing have become the subject of an interest of all social sciences. For the Polish psychology, the period of social/economic transformation is also a period of new tasks. A human being as a member of the society who tries to satisfy his needs as best as possible and to achieve his aspirations must actively adjust to the functioning of the system – the one that itself is subject to changes. The individual in the process of changes occurs in a double role: an object of the changes and a subject actively participating in the same. Therefore, the research problems include the impact of economy on an individual on one hand and the human economic behaviours on the other (cf. Lea, Tarpy & Webley, 1987; Warneryd 2004), which allows to diagnose the effects of the social/economic projects and to predict their far-reaching results.

One of the most important results of the changes is a large increase of social differentiation. People differ from each other with their attitude towards the changes and methods to cope with them in their lives, the manner of understanding the world, preferred values, styles of life, opinions. In the stable societies, where the speed of life is slow enough that it is not perceptible on day-to-day basis, a large part of the individual experiences is a subject to social processing. This gives them more objective dimension and thus decreases the significance of the individual cognitive processes. Acceleration of the changes, however, makes an individual to answer much more often questions about the meaning of a particular situation, the requirements and constraints it imposes to the actions, what

resources are needed to engage. And here an important role of psychology reveals.

Mental functioning of a human being requires a steady control of the events going on in the environment and quick and effective reacting to them. In a new situation, both goals and conditions for their achievement change. A very important moment is perception and evaluation of what is going in the environment (whether or not – and how various aspects of changes are perceived) since depending on them the further reactions to the change will be activated (or not). The manner in which a human being perceives the surrounding reality determines basically the adaptation process. Perception, irrespective of whether or not it is objectively a correct reflection of the reality, determines the individual's behaviours. So, it is the perception of the changes in the environment that human being's adequate behaviour towards those changes depends on.

Attitudes and habits formed in the conditions of the previous system have not been preserved unchanged and they are subject to the constant transformations. In case of the persons having resources in the form of: good health, high qualifications and abilities, material safeguards the adaptation process goes without excessive burdens. Especially young people, educated people, positively disposed towards self-development, with modern mentality manage well in the new reality. Much more difficult is the position of the people who do not have resources and their work places have ceased to exist, qualifications obtained years ago are no more needed, material resources have exhausted or hardly suffice for basic current needs, their psychophysical abilities are each year more and more limited. Fear of the future, living with from day to day exclude any far-reaching planning and preventing early enough further decrease of the level and quality of life.

## **Adaptation to changes**

The development of the new opportunities and constraints has an impact on the individuals forcing them to re-evaluate their aspirations, to reconstruct the system of valuations and opinions, to search for strategies better adjusted to the changing realities. Transformations may be treated in the category of challenge the individual tries to face or as a threat to cope with.

The application of the theory of psychological stress seems to be a fully comprehensive approach – we can follow a succeeding stage of the reaction to the change till the distant effects. The stress coping psychology turns to an average, healthy human being with and the course of their life with everyday nui-

sances. The concept of stress due to stressing the role of cognitive processes, well corresponds with the sociological approach to examined problems (Lazarus, Folkman 1984). A human being is not a subject abstracted from the social conditions they live in since they are just the cognitive schemes formed in the course life events under the influence of specific social interactions determine broadly the understood reactions: perception of the situation and its cognitive appraisal, stress occurrence, coping processes and adaptation outcomes.

After thirteen years since the introduction of the free market rules to the economy it is obvious now that they failed to release automatically forms of people's actions natural to the free market economy. The appearance of many new phenomena, situations and opportunities which fundamentally changed the individual's activity conditions must be accompanied by the various type adjustment procedures including both value systems and coping strategies. The stress occurring as a result of the economic threats: difficulties in the labour market, impoverishment, loss of social safety, sense of deprivation – these are effects of specific social and economic conditions. The life stress in the reformed environment is a problem concerning the large social groups, including people perceived as successful ones. For them, a possible failure of the reforms means the loss of what they gained in the recent years or the loss of opportunities that are opening for them.

Public opinion polls point to the actual severity of the problems of psychological nature. The most important subjective negative feelings resulting from the experienced discomfort include (Sowinska, 2000):

- A sense of uncertainty and threat. It results from the unclear rules regulating functioning of the economy that in the process of profound transformations, the unpredictable scenario of its further development, fears of one's own future, threats of poverty, loss of social safety. Social security allowances related to the lack of employment, illness, bringing up and education of children etc. are currently incommensurably low when compared with living expenses. The situation in the labour market and a possibility to lose employment are a source of a very strong sense of threat among employees of restructured enterprises, weak companies endangered with bankruptcy, companies in the process of privatisation. An additional factor is the lack of experience and ability to cope self-dependently with difficulties.
- A sense of injustice in the connection with unsatisfying allocation of goods, infringement of the social standards of equality and justice (the standards on which the ideology of communist countries was based). The consumer's market with a very rich offer has caused the extension of the scope of needs recognised as elementary. The contrast between affluence of goods and in-

ability to possess or use them is a source of strong emotions intensified additionally with comparing with “other people”. Even people regarded as wealthy, in consequence of their high expectations and pursuit of a high living standard (the reference group may also be persons who have rapidly raised their material standard) may feel deprived (Sowińska 1998).

- A sense of helplessness, alienation, isolation is effected by impoverishment, unemployment, lack of flats, perceived disturbance of the social order, inability to cope within the framework of free market. A time of the intensive transformations is a chance for the development of subjectivity, however when people do not accept the existing state of affairs and do not agree with imposed actions, they are definitely constrained. Presently, large groups of people feel alienated. Some of them, due to their helplessness, do not undertake any activity which would change their fate to better one; many of them act destructively.

## Conclusions

Adaptation difficulties are in a sense a natural phenomenon, but their scale is alarming. There is a chance, however, to alleviate the problem through the improvement in the society living conditions, knowledge of market economy functioning rules, creation of conditions for people’s self-dependent coping in difficult situations, transfer of assistance from allowances, which are too low anyway in the relation to needs, to other forms activating to adopt self-dependent remedy measures. Understanding of people’s behaviour and reasons for their reactions makes it possible both to take correct political decisions and to help in making effective countermeasures against adverse effects of adjustment difficulties.

The tasks of a modern psychology in the age of the economic transformations are not only limited to a cooperation with economists and participation in researches and programs accomplished by social politicians. Not only do the psychologists-practicians act as experts or consultants in the interdisciplinary group which analyzes the current social-economic phenomena, describes, implements and corrects the elementary and repair programs but they have plenty of the new, specific tasks to deal with. It is essential to mention some of them:

- Modernization of the education systems so that it can prepare young people to life in new reality, to undertake new challenges and to develop enterprise; vocational orientation adequate to the needs of a changing labour market.

- Help in finding oneself on a labour market not only by graduates but by those people who are forced to change their place of work but even job many times during their lifetime; modern human resources management; flawlessness of interaction between an individual and his work; humanization of work; counteraction against the negative results of work and solving problems connected with unemployment; preparation of employees for coping both with planned and unexpected organizational changes.
- Ability to manage in the new economic reality, in the difficult situations typical for the free market economy, with stress of every day life, critical situations; difficulties with adapting to changes and fluctuations of economic situations.
- Personal growth, new forms of guidance, prevention within the scope of the potential disorders and a therapy of the unadjusted and outcast people or those who show socially and individually destructive behaviour.

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