



ISSN: 2543-6821 (online)

Journal homepage: <http://ceej.wne.uw.edu.pl>

Danuta A. Tomczak

# The Unpredicted Rise of Populism: The Case of Poland

## To cite this article

Tomczak, D.A. (2023). The Unpredicted Rise of Populism: The Case of Poland. Central European Economic Journal, 10(57), 304-322.

DOI: 10.2478/ceej-2023-0018



To link to this article: <https://doi.org/10.2478/ceej-2023-0018>



Danuta A. Tomczak

Østfold University College, 1757 Halden, Norway  
corresponding author: danuta.a.tomczak@hiof.no

## The Unpredicted Rise of Populism: The Case of Poland

---

### Abstract

This article investigates the rise of populism in Poland, applying an interdisciplinary method, with political, social, and economic factors as the compound reason for the turn from liberalism towards populism. The methodology of the study is the exploratory analysis of research, historical materials on Poland's transition to capitalism, and calculation of the selected empirical data of household incomes, linked to election results, in the regional cross-section. The household economic condition was validated by a report on deprivation and the presented growth of households' disposable income, exposing regional differences between the selected voivodeships. The populist party Law and Justice (PiS) won the two last elections, with the majority of votes in low-income regions, which proved the hypothesis that economic inequality, amplified by globalisation and transition disparities were the main reasons for populism's prevalence. The democratic backsliding has not changed party-political scenery for very long, which revealed that for the majority of Polish voters, economic upgrading counted more, despite the violation of democracy. Therefore, the advance of knowledge about measures to reduce the in-country socioeconomic disparities between regions has become more important.

### Keywords

globalisation | inequality | populism | democracy

### JEL Codes

O52

---

## 1. Introduction

Globalisation and its recent stage—hyper-globalisation or globalism—affects all open economies as it imposes domestic structural changes in production, employment, and location; boosts financial flows, bringing gains and losses and, as a result, winners and losers. I begin the article with a short review of international trends and the effects of the implementation of the neoliberal model. Global trends have had an impact on populism's rise. Populism has a long history and wide-ranging descriptions, but its recent escalation needs a new approach for further studies, as the prevailing anti-elitist explanation is not sufficient for populism's current spread and multiplicity. International factors, except immigration, and economic factors are not given compulsory attention in studies on populism, which, in my opinion, is the missing link. In my study of populism's rise in Poland, I apply a multifactor explanation of its progress: transition to a capitalist market economy with its shifting perceptions and

uneven results. Here, it is important to mention the huge gap between official statistical data on the transition, which is positive, and perceived results, which are much more negative. Economic data here are collected in the regional cross-section, important for marking significant differences between regions or voivodeships. The first type of data presented is the EUROREG researchers' deprivation index (DPI), that is, risk for deficiency in living conditions for Polish counties in 2002 and 2013. The second type of data is the change in household disposable income calculated for selected regions for 2010–2015 and 2015–2019, before and after the political shift to populist party rule. The growth rate of household incomes in the second period almost doubled. Voter support for the populist party has been high in peripheral regions of the country, which the voting results from the presidential election in 2020 affirm. External shocks, most visible in the case of household mortgages in Swiss francs (CHF) after high appreciation of the franc in January 2015, also contributed to soaring fears about the future,

borrowers' insecurity, and costs for banks. I intended to show that the rise of populism has been triggered by socio-cultural, economic, and international factors, aggravated by internal conflicts and not only by the split between the 'elite' and 'the people'. Economic and international factors have been important, because they enhanced and intensified insecurity for a majority of citizens, especially those not well-off and thus vulnerable in times of rapid change. To contest the reigning populism, the relations between market and state as well as global and local players should be reconsidered.

## 2. International Development and Its Footprints

### 2.1. Globalisation

As an important phase in worldwide development, globalisation started a new stage of transformation of the world economy and society in the middle of the 1980s. Restrictions for capital flow across borders had been lifted (capital account liberalization), opening up rapid in- and outflows of capital and money. Massive flows of trade, portfolio placements, and foreign investments increased the volatility of exchange rates and challenged state budgets and domestic economic policy. These free flows had been introduced in most developed economies between 1979 (the UK under Margaret Thatcher was first) and 1990 (Norway, by the decision of Central Bank 1.07.1990). Historians start the history of globalisation with ancient Greece and the Roman Empire, which might be a good historical exercise but is not very relevant to the problems countries experience today.

Globalisation at its early stages of development (1990–2000) progressed as an intensified internationalisation, which meant that exchange between countries (trade, investments, people) increased and was regulated by agreements and contracts between identified partners, representing business and/or state authorities. The open world market offered new opportunities to earn money, through increased competition and efficiency, which was positive, but pushed on marketization and financialization, which also gradually extended to institutional and social relations. The increased use of quantitative measures for evaluation of the units' performance, was mainly due to the diffusion

of the neoliberal doctrine to many countries. Ongoing privatization and deterioration of collective agreements changed the labour market and work environment. Financial sector expansion and massive currency speculation, involving the Asian crisis of 1997–99, resulted in significant losses for many local communities and families. Instead of regarding this crisis as a signal for discussions on the regulation of the speculative money flow, the opposite happened: the USA's Glass-Steagall Act of 1933, separating commercial banking from investment banking, was abolished in 1999. Significant global consequences of this decision emerged: when an investment bank, with investment placements and stock trading as their main activity, started to open accounts for individual clients, and a commercial bank opened up to investment trading, the function and activity of both types of banks was changed.

- Advisers in banks had been converted to sellers of financial products to earn profits, which created a risky deal for unprofessional customers to get advice when the bank 'advisers' are sellers;
- Commercial banks, with very limited or no experience in investment trading moved their resources to trading activity, because it brought in more money, and so they limited traditional bank services to customers;
- The Glass-Steagall Act restrictions and regulations were removed, and the number of offerings rose substantially, increasing the amount of credit and escalating individual and corporate debt and risk.

During the pre-crisis period from 1990 to 2005, the annual trade value grew by 6% annually (average annual value) while the dynamics of mergers and acquisitions were even higher in value. However, the highest dynamics of growth showed the value of foreign direct investments (FDI). The SNF Report (Bjorvatn & Norman, 2007), showed that from 1980 to 2005, worldwide FDI increased 10-fold, export threefold, the GDP rose 2.5-fold, and migration increased twofold. Thus, the volume and dynamics of foreign direct investments were the main channels of progress in globalisation.

The dynamic effects of removing barriers for trade and investments had various outcomes. In the 2000s some dark sides of globalisation—inequality, social exclusion, and insecurity— became evident. Stiglitz's book *Globalisation and its Discontents* (Stiglitz, 2002) was a bestseller; it reflected on economic policy

and suggested that more attention should be devoted to the redistribution of gains.

Growing financialisation of savings, consumption, and investments ended with the global financial crisis in 2007–8. The advantages of openness turned into a massive loss and crisis in the USA, the Americas, and Europe. As a result, the globalisation debate regarding its advantages and disadvantages came back on the agenda.

This first period of globalisation's dynamic progress was a time of system transition in Central and Eastern Europe, which started in 1989. Privatization of state property was an important part of it.

Citizens' support of free market ideas was somehow idealistic, as if they accepted the principles and positive codes of capitalist market economy but were not aware of its negative outcomes. These negative reactions came later, with the backing of populism.

By the 1990s, Professor Zygmunt Bauman, an emigrated Polish sociologist who worked at Leeds University had already published several books and articles reflecting on globalisation as the post-modernity era, with human outlays of sinking community participation, individualized society, weaker states without tools to correct outcomes of global actions, to mention a few, (Bauman, 1998, 2004, 2005, 2007). He was among those who warned and presented consequences of rising inequality (Stiglitz, 2002; Beck, 2004; Dinopoulos, 2008).

Whether it was snowballing privatisation of public property and services that had an effect on globalisation, or just a diffusion of neoliberal doctrines, was not obvious, but, without a doubt, globalisation was an important factor in increasing market supremacy and weakening the state. Mergers and take-overs, national and international, continued, changing the balance of power between governments and corporations. National interests have been downgraded. An overview of studies on this subject showed increasing market power and a widening gap between price and production costs. Customers paid higher prices for the goods, owners received more profits, and labour costs fell because of weaker competition (Diez, Leigh, & Tambunlertchai, 2018). Furthermore, the high revenues did not motivate investments, as weaker competition diminished the pressure to innovate. Thus, in most of the developed economies, the rates of investments have been low in recent years (De Leocker & Eeckhout, 2018). The lower rate of wage share in

production and low rate of investments were not good news for future economic development; therefore, Prof. Holden concluded that international cooperation on improving competition and a new taxation system for revenues had become urgent.

## 2.2. Globalism

Economic globalisation, which started as extended internationalisation, finally changed into globalism. The use of these two terms—globalisation and globalism—can be confusing, since economists, political economists, and political science researchers use these terms differently. In most cases, the economist uses globalisation to address economic globalisation, while political economy and political science researchers more often discuss globalism: “a national policy of treating the whole world as a proper sphere for political influence” (<https://www.merriam-webster.com/dictionary/globalism>). Joseph Nye, political scientist, explains the term globalism as a world network with a series of connections having different dimensions (economic, military, social, climate), independent of geographic distance (Nye, 2002). Paul James and Manfred Steger define globalism as different ideological clusters, such as market globalism, justice globalism, and religious globalism. Market globalism is a cluster of global laissez-fair capitalism, powered by corporate interests, that is fundamentally good for humans. Justice globalism is a cluster of different claims, with emphasis on justice, human rights, and sustainability (James & Steger, 2010).

By presenting these different interpretations of globalisation and globalism, I would like to propose a more transparent structure of the relationship between these terms:

- Internationalisation means the relations among foreign partners, but usually between a limited number of partners: three, like in Scandinavian cooperation, five before and eight now in Nordic cooperation, or 27 as cooperation among member countries of the EU.
- Globalisation is worldwide cooperation and integration; therefore, the number of partners, also from distant destinations, is large: partners and their economies and political systems are divergent, so it claims subsequent knowledge about different procedures, behaviour, and rules. Globalisation brings new opportunities for

innovation and growth, but also new challenges for management and more instability and insecurity than cooperation with recognized partners/neighbours.

- Globalism—either defined as a world-wide network with a hub (Nye, 2002) or a cluster of partners with defined interests (James & Steger, 2010)—marks the start of a new stage of world-wide cooperation. I will call it a post-globalization era, where partners in networks or clusters have multinational identities that are often hard to spot, place, and follow, especially when controversies or misconduct arise. The economic cooperation under globalism needs to be governed by the letter of law, yet the texts of contracts are formulated on hundreds of pages, with multiple language barriers leading to disputes between lawyers on interpretation. The result is that it is the lawyers, not the public or business partners, who are the real global players.

To identify partners, citizens' participation, and outcomes of these complex agreements is not an easy task, because within the above-listed stages of internationalization, labour- and social relations have been altered, through social media communication and digital monopolies' power and profits. The current movements show increased polarisation of societies, more conflicts, ruthless street protests, and violent demonstrations in many countries, whether yellow vest protests in France, nationalists' marches in Poland, or the unbelievable break-in at the Capitol building in the USA in January of 2021. Why is it happening? Anthony Atkinson writes:

There is no doubt in my view that freedom of movement of capital and the failure to properly regulate and tax the activities of multinational companies has led to the loss of employment and to the creation of a sense of insecurity among workers and their families in many countries. Our governments have lost sight of their obligation to act on behalf of all their citizens; they have allowed them to become subservient to economic forces. We need to return to a situation where 'the economy' is a means of fulfilling the life hopes and ambitions of people, not vice versa. 'Putting people first in macroeconomics' is the title of a report that I wrote some ten years ago for the European Commission, and I remain convinced that it should be our aim (Atkinson, 2019, p. 8).

Acemoglu pointed to three reasons for the accrued problems and conflicts of nations: a lack of global governing systems to solve the global challenges; a low quality of institutions, which provided the grounds for political competition instead of preserving meritocratic standards based on knowledge; inequality and deficiency of welfare for everybody (Acemoglu, 2020, p. 16).

To sum up globalisation's negative outcomes: the closing down and loss of local workplaces; the commercialisation of public services; an increase in insecurity and social exclusion; the power of multinational companies; and the weakness of national state and transnational decision-making, with stringent claims and procedures, which worsen work conditions.

These negative effects of globalisation amplified the dispersion of populism, or, as Rodrik said, fuelled populism (Rodrik, 2021).

### 2.3. The rise of populism in recent decades

Populism is not new. It has a long history and different images, depending on country- and period of its evolution, where both national and international factors contributed to its various settings. Following, the results of academic studies on the core and basis of populism differ: Are cultural differences or economic discontent the driving force of the escalation of populism (Østerud, 2017)? A divide between 'ordinary people' and elites is featured in most definitions. Taggart describes populism as protest-parties' rhetorical commitment to 'the people' and antipathy to elites (Taggart, 2000, p. 91), Kaltwasser and Mudda explain it as three core concepts: 'the people, the elite and the general will' (Mudda & Kaltwasser, 2017, p. 11), while Müller writes that it is the contested notion of the moralistic imagination of politics, with psychological and sociological footing (Müller, 2016, p. 16).

The literature on populism's progress all over the world is vast, but here I will concentrate on studies from the recent decades as the most relevant to the forthcoming path of its development.

Globalisation has significantly changed international dependency among countries and also boosted new debates on the reasons for the increase of populism, and its progress, and consequences of

populism. Here, the recommendation from Hawkins and Kaltwasser on an ideational approach to populism is worth discussing and deploying. They stated that both sides— on the supply side, populist ideas in party manifestos, newspapers, TV, speeches; and on the demand side, populist mass discourse on populist politics—should be measured and exploited (Hawkins & Kaltwasser, 2017). This will help to identify populist attitudes, which are different on left- and right-wings of populism and will also contribute to studies of normative motivations of the movement.

The World Bank report ‘Polarization and Populism’ observed significant polarisation in many countries in Europe and Central Asia, and noted that since 2010 opportunities for upward mobility have deteriorated and incomes have become less secure over time (World Bank, 2016). Shifts in the labour market, with a rise in temporary and part-time employment, worsened job security and caused declining life satisfaction in many countries as well as increasing mistrust in existing institutions. Dissatisfaction contributed to political polarisation. To get a better picture of the relationship between inequality and populism, the data on inequality should be improved with the addition of indicators of people’s perception of changes in inequality and new measures differentiating types of inequality (World Bank, 2016).

To find the answer to the question about whether globalization fuels populism, Rodrik listed and analysed factors that contributed to the switch of Obama voters who voted for Trump in 2016. The empirical studies covered different globalisation shocks: trade, financial globalisation, and immigration; and he admits that empirical literature on the relationship between financial globalisation and populism is thin, whereas economic insecurity has increased (Rodrik 2021). The conclusion is clear: ‘... empirical evidence leaves no doubt that globalization has played a significant role in the rise of populism in recent years’ (Rodrik, 2021, p. 30). Also, other studies confirm Rodrik’s conclusion: the reduction of jobs, and the resulting deterioration of social and economic living conditions in depressed rural areas and small towns as well as declining opportunities explain populists’ electoral success in several countries (Broz, Frieden, & Weymouth, 2021).

Many publications analyse populism as an anti-liberal and nationalistic movement, with its core built around the conversion to a liberalistic socio-economic system in many countries in the 1990s, along with an incursion of cosmopolitanism and immigration. These

factors and cultural conflicts have obviously had an impact, strong or weak depending on the time and place, but the economic factors should not be neglected, because they are crucial for inclusion, social participation, and living conditions. Here, I will study the relevance of this presumption in Poland.

## 3. Poland’s Transition in 1989 and the Shift of Political Alliances

### 3.1. Transition begins

In August 1980, Polish workers protested against the political system in Gdańsk shipyard. These protests gave birth to an independent trade union ‘Solidarność’ (Solidarity), which continued its support for workers and pressure on the government. Finally, an agreement was settled at the round table negotiations 6.02 – 5.04.1989. Solidarity members, Central Committee of Polish United Labour Party members, intellectuals, and representants of the opposition, totalling 56 delegates, agreed to share political power and transform Poland’s socialism into a democratic system. In the coming election, the existing political parties (3) obtained 60% of Parliament seats, the free movement/nonparty members 35% seats, and the Catholic organizations, 5%. Free election to the Senate had been agreed upon, and the executive powers were shared, with the ruling socialist party receiving the president chair and the opposition party attaining the prime minister chair. The independent daily newspaper *Gazeta Wyborcza* and the weekly magazine *Solidarity Weekly* entered the media market, while the opposition also got also its own television programs. A draft of the economic system reforms had been settled upon (Michalak & Piasecki, 2016). The round table agreement was an exceptional event during a very turbulent time of socialism breakdown, at which the ruling socialist party and the opposition groups, of various origins, worked out a peaceful solution. The majority of the society accepted the agreed upon outcome, and the new Tadeusz Mazowiecki government started the process of system transition in June 1989. Leszek Balcerowicz, Minister of Finance, worked hard on the strategy for economic reforms—the shock therapy, implemented in January 1990. In November 1989, Balcerowicz originally stated ‘capitalist market economy’ as the target for economic reforms, before he referred to it as ‘market economy

reforms'. It was important to announce the coming transformation of economic system, different from the socialist market mechanism, that was implemented in the 1950s in Yugoslavia and in the 1960s in Hungary, and later partly also in Poland. The proclaimed change of ownership and new organisation and management rules, were, in reality, an announcement of the end of socialism.

The following numbers illustrate the immense alliance for change in 1989 and 1990: Solidarity, which started as an independent trade union, became the largest social movement with 10 million members, including the Polish United Labour Party with 2 million members, the Association of Trade Unions with 2 million as well as smaller oppositional organisations and societies. As a result, nearly the entire society had been activated: left-wing, Christian, right-wing movements, all supported transformation to a market economy, democracy, and freedom. The outline for the economic reforms had been accepted, with hope for success and a better future, but these economic reforms were applied with tools that led to conflicts. Enthusiasm for restructuring gradually declined, and the earlier unity split into different parties and factions, representing various policy options, both political and economic. The great alliance was broken, and shifting coalitions formed over the subsequent decades.

### 3.2. Political mix-up, 1989 to 2005

In December 1990, the first free presidential election took place, and Lech Wałęsa won. His legendary role in the Gdansk shipyard strike and Solidarity formation made him the winner, but soon controversies and problems developed. Political and social opposition was mounting between and within the parties and movements. Parliament (Sejm) with 460 seats, had, in its first term from 1991 to 1993, 18 political clubs and circles. The biggest one, Alliance of Democratic Left (SLD) had 59 members, with the next highest number coming from the Democratic Union (UD) with 57 members followed by the centre party, Polish Peoples Party (PSL) with 49, as well as six clubs with 3–7 members each. With the biggest party having only 13% of votes, alliances were needed among the parties, which as experience has shown, became rather unstable. The website of Polish Parliament, the Sejm (<http://www.sejm.pl>) provides information on party political constellations in all terms.

In the Parliament's 2<sup>nd</sup> term 1993–97, the number of clubs went down from 18 to 14, but the largest club, Alliance of Democratic Left (SLD), increased its number of members to 168. The centre Polish People's Party also increased its membership to 127, and the third liberal Freedom Union (UW) grew slightly to 65 members, while the seven clubs remained relatively stable at three to eight members. Although the Centre-Left alliance got the majority, there were still many small parties in the parliament, before the 4% rule was enforced.

A divided Solidarity managed to form a joint coalition for the next election and succeeded in the new coalition Solidarity's Election Action (AWS), resulting in the receipt of 134 seats in the Third Parliamentary Term of 1997–2001 as well as being in power together with the social democrats' SLD (162 seats). Cooperation was not always easy, as Solidarity had both left-oriented members and very conservative Christian-oriented members, who were strong church supporters. As a result, SLD did not challenge the influence of Catholic church in politics. AWS leader Marian Krzaklewski was against the new constitution of 1997, because of the too little protection for workers and family values. The Liberal Freedom Union (UW) had 47 deputies, the Law & Justice party (PiS) had only 18, and the three clubs had only 3–5 members each. This reflected the mounting political divide that was occurring between union, parties, and weakened coalitions.

From these mounting divisions, the left wing was split, and a new party was formed—Poland's Social Democracy (SDPL) as well as several other parties changed their names and programs. Thus, the power in the election for the term of 2001 - 2005 was again even more divided: social-democratic SLD, 148 mandates; new social-democratic party SDPL, 32; a new party that popped up, Self-defence of Republic Poland (Samoobrona), 41; Civics' Platform (PO, former UW), 56 mandates; PiS, 45; and, again, five small clubs with 3–5 members each. During this period, the Social Democratic new coalition ruled, but the social-democrats' era came to an end in 2005. Solidarity was not represented in the new parliament, having been voted out as a political power in 2001. In the 2005 election, the conservative PiS received higher support with 151 mandates, followed by the centre-liberal PO with 131, the smaller social-democratic SLD with 55, and Samoobrona with 41 mandates. The victory of PiS in 2005, both in the parliamentary and presidential elections, ended the social democrats' alliances governing era that had been in existence since 1990.

Political support now moved towards the centre-right-wing parties. Twin brothers from the PiS party climbed up into top positions: Lech Kaczyński as president and Jarosław Kaczyński as prime minister. National traditions, sovereignty, Christianity, and scepticism of international organizations and immigrants were lifted to the state's governing principles (more about this in Porter-Szüc, 2019). Since the first 15 years of political coalitions that ruled transformation were quite stormy and that the Solidarity of 1990 broke only after a short time, there were too many parties and movements, frequent changes of governments, which subsequently led to the implementation of several inadequately prepared rules of law and policy recommendations that were not supported by shaping social consensus.

### 3.3. Towards two dominating political parties 2007—2019

The Civics' Platform (PO), the centre-liberal party founded in 2001 from the former Liberty Union, had changed alliance partners, from social-democratic to centre parties. From 2005 to 2007, they also cooperated with PiS. The elections in 2007 and 2011 gave power to the PO, and parliamentary structures became more stable. The eight years of PO rule in collaboration with the Polish People's Party (PSL), an agrarian centre party, and other small parties, and with Donald Tusk as the leader and prime minister from 2007 to 2014, was a period of ongoing economic progress. This included EU-funded investments and improvements in international relations, especially with Germany and Russia, that had been worsened under Kaczyński's government in 2005–2007. PO, as the centre alliance, implemented liberal economic policies such as privatisation, lower taxes, and commercialising public services, which were deemed as good for business but not quite good for the low-middle class. Two events had shaken the temporary stability and increased the scope of conflicts, both within society and between the PO and PiS: the speculations on the Smolensk plane crash on the 10<sup>th</sup> of April 2010, in which President Lech Kaczyński and 95 high-ranking officials died, and some tapes were revealed with top politicians' conversations recorded on them. Official reports on the plane accident by the Russian MAK and the Polish Committee for Aviation Accidents in June and July 2010 concluded that weather conditions and failures in control routines led to the accident, but Jarosław Kaczyński and his followers had their own theory: a bomb explosion on board, a Russian

assassination coup in a conspiracy with Donald Tusk. The conflict between Jarosław Kaczyński and Donald Tusk had reached new dimensions.

The scandal of bugging, recorded chats in 2013–2014, between ministers, top politicians, top managers over dinners in three exclusive restaurants, were published in the weekly magazine *Wprost* in June 2014. These conversations demonstrated cynicism and total disgrace among top politicians regarding governed citizens. As the 2015 elections took place, a little-known candidate named Andrzej Duda won the presidential election. In the parliamentary election campaign, Jarosław Kaczyński announced an increase in the child allowance from 120 to 500 zloty per month, the so-called 500+ benefit (120€), despite the governing coalition being against it, because of the state's budget deficit. The child benefit and minimum wage raise had been important factors for the PiS victory. In 2015, the PO got 155 seats in Sejm (460 deputies), and PiS received 239, thus obtaining the majority ([sejm.gov.pl/Sejm9.nsf/page.xsp/archiwum](http://sejm.gov.pl/Sejm9.nsf/page.xsp/archiwum)).

The frequently shifting alliances among parties since the 1990s illustrated the changing preferences and priorities of the policy directions. In any case, in the decades of the 2000s there was a turn from left to centre, with a dominating position for the Civic Platform (PO) in 2007 to 2015, and so a turn from centre to right occurred, with Law and Justice (PiS) in a dominating position from 2015 to 2023.

## 4. Contesting Liberal Democracy, a Socio-cultural and Economic Approach

### 4.1. Socio-cultural factors of the shift towards populism

Most of the studies on the emergence of populism in Poland focus on social, cultural and political factors as the basis for polarisation and expanding conflicts, but the reasons for its formation are more complicated, and historical and economic factors must also be considered.



#### 4.1.1. Poles' distrust of governing powers and elites, historically and in the present

Between 1772 and 1795, Poland was divided and governed by neighbouring states: the Russian Empire, the Kingdom of Prussia, and the Habsburg monarchy. A Polish state did not exist until 1918. During the Napoleonic wars, The Duchy of Warsaw was established in 1807, and later, after the Congress of Vienna in 1815, the Congress of Poland was under Russian control. An independent state established in 1918 lasted only until the Second World War started in 1939, and after the war, in 1945, the Soviet Union and socialist countries' alliances had not encouraged support for the government. Therefore, the distance between the governing elites—either aristocrats, foreign heirs, Nazis, or communists—and the governed people, was always vast, in many dimensions, like language, education, interests, rituals, religion, lifestyle, and wealth. The governed were also split into a tribe, resembling particular groups, identified by their place of living (city or countryside), profession (miners or textile workers, teachers, academics), or family clans. Regional differences in social relations and attitudes were also noticeable in territories ruled by Russian, German, and Austrian possessors. But the majority of the population had a shared aversion to the suppressive political powers, and a common desire to remove them.

After 45 years of socialism, the 1989 uprising was a massive protest against the totalitarian system, and represented enthusiasm for freedom and hope for a successful transition to capitalism. The years that followed were a challenging period of building a new socioeconomic and political system. It has not been a problem-free process.

David Ost's publications present an extended analysis of the Solidarity movement and its contribution to a peaceful shift in governing systems and thus increasing contradictions between workers and elites caused by the anti-labour strategy of Polish governing liberals, which betrayed Solidarity in the 1990s. 'Liberals pushed opponents into the illiberal camp, for that became the only space opponents were permitted to inhabit' (Ost 2005, p. 95). The turning of workers and their organizations to the political right and their illiberal nationalistic behaviour was a reaction to cosmopolitan intellectuals' egoism and their preference for international rather than local relations.

Ost's statement was slightly moderated by Kalb, an anthropologist, proposing an alternative explanation. Kalb agrees with Ost about critics of the politics of

the liberal intelligentsia, but he separates from this the reaction of skilled workers in post-socialist Poland, as this group accepted market tools and confronted both liberals and unskilled workers, so they had not been manipulated into illiberal politics. The derived contradictions Ost presents need a more complex analysis, since both, global and local factors contributed to structural power configuration 'in class ways' (Kalb, 2009, p. 297).

Populist ideology discards pluralism, rejects modernity, and considers society to be separated into two homogenous groups: 'the pure people' versus 'the corrupt elite' and the ideology had gotten a good footing during the ongoing transition, according to several research reports (Markowski, 2018).

#### 4.1.2. Absent approval of transition's outcomes

After 2015 the democratic backsliding expanded constantly into new spheres of the socio-political system: law and jurisdiction institutions, media, public organizations and enterprises, and school curricula. Studies of the post-communist electorate on democratic backsliding in Poland brought surprising findings: the political system and new social order after the collapse of communism have never gained the citizens' moral approval of the social outcomes such that they were perceived as legitimate, just, and fair (Tworzecki, 2019, p. 114). Both in 1992 and 2014, as Tworzecki mentions, 88% and 79%, of respondents, respectively, answered that 'the rich were getting richer and average people poorer' and few answered that 'everyone is better off' (data retrieved from the CBOS research bulletin 31/2014). This was an astonishing result, in a situation with positive income growth and a moderate income inequality index for Poland, and illustrates that perceived inequality was very high, much higher than statistics have shown. In such a case, it is not surprising that frustrated voters gave votes to the system-critical party Law and Justice (PiS) in the 2015 election and later on supported that party's policy, even if it entailed a violation of democracy.

#### 4.1.3. External shocks

A major external shock occurred in January 2015, when the Swiss National Bank suspended the exchange rate floor. This resulted in the substantial appreciation of the Swiss franc (CHF), which

harmed Polish borrowers, as around 575.000 Polish households had CHF-denominated loans (Ahlquist, Copelovitch, & Walter, 2020, p. 908). This shock commenced many political debates on loan transfers to Polish zlotys and how compensation costs for the operation should be covered by banks, borrowers, and the state, an especially sensitive political decision in the year of the presidential election in May and the parliamentary election in October. Authors analysed voters' foreign exchange (FX) exposure and voting behaviour and found that FX-exposed voters would more likely vote for PiS and third parties, which were offering to implement generous bailout policies (Ahlquist, Copelovitch, & Walter, 2020). This case is a good example of the impact of the global economy on domestic politics and domestic economic policy, as well as on a single-family economy.

#### 4.1.4. Political indolence and progressing illiberalism

The relationships with the new elites and the lack of contact with ordinary people were the main reasons for the PO-alliance loss in 2015. Insufficiently planned campaigns for the presidential election ended up with a loss in both elections. The left-behind citizens and church followers voted for PiS. As PiS got a majority in the parliament, they could legally change laws and get illiberal decisions adopted, as well as place their own people in important public positions. According to Pirro and Stanley, there are three gradations of illiberal policy: forging, bending, and breaking. These changes are within the rule of law (1), consistent with the letter of law but in contradiction with its spirit (2), and they break domestic and international law (3) (Pirro & Stanley, 2021, p. 93). The illiberal changes deteriorate democratic systems, but may also occur within a democratic framework. PiS applied all three variants of illiberal policy, and their capture of the Constitutional Tribunal was of strategic importance (Pirro & Stanley, 2021).

Despite the many antidemocratic institutional changes, the conflicts with EU, the street protests in big cities, and the critical media reactions, PiS won again in the 2019 election, which indicated the majority's positive valuation of the party's policy on conversion from liberal democracy towards authoritarian rule.

## 4.2. Economic factors of turn towards populism

### 4.2.1. Gap between attained and perceived results

In 2015, the PiS won the election after affirming financial support for the low-income groups. This outcome is not so surprising, if one looks at the transformation's results since 1990 from a different perspective. Support for reforms after socialism's collapse was built on a simplified picture of a market economy: capitalism meant freedom, where all people have the same chance to be rich, free, and happy. But free market capitalism has not been so favourable for all its supporters. On the one hand, the economic macro data showed positive effects for Poland with growth of GDP and per capita income, and an increase in investments and trade since the middle of the 1990s after a deep fall in the first years of transition. Economic transformation had been successful, managed well at low cost according to what national and international macro data confirmed (Szpunar 2020). But, positive average values of indicators illustrating the transformation's success do not show the gap between top and bottom figures, nor the nonmeasurable effects. So, seen from another angle, many workplaces were closed down; unemployment increased to 20%; many schools, post offices, and public offices in small towns got shut down; and local transport vanished. The results and assembled costs of transformation, including side-effects, were high and unevenly distributed—few became rich, and while several have gained a higher income, many others experienced worse financial outcomes, isolation, and exclusion. The number of poor people (income of \$3 per day), calculated by the World Bank, in 1987–89 was ~2.4 million for all of Central Europe, (of this 2.1 million lived in Romania), and it escalated to 22.9 million in 1993–95 (Milanovic, 1998, p. 101).

A Gallup poll done by the Polish Press Agency in 2002, a year with positive economic indicators, reported the following results: (CBOS interviews Jan–Feb. 2002, [www.pap.com.pl](http://www.pap.com.pl))

- 64% declared their economic situation deteriorated, for 22% it was improving,
- 43% did not expect any change this year, 33% ↓ worse, 15% ↑ better,
- 78% described their own economic condition as bad, 2% as good, 18% as unchanged,

- 54% regarded their own economic situation as very modest, 24% as difficult,
- 96% regarded labour market as bad, 45% - no chance for improvement at all.

Nearly sensational poll results were listed on the front page of *Gazeta Wyborcza*, 11.07. 2002: (*Wyborcza*, Pl, 11.07.2002, p. 3)

- 39% would prefer to live in socialist Poland, 42% in today's Poland,
- 48% skilled workers prefer socialism, but only 18% preferred socialism among the highly educated,
- 50% of those living in villages favoured socialism, while only 20% from cities > 0,5 million inhabitants preferred socialism.

The opinions listed above confirmed the anxiety over the vanishing acceptance of the positive effects of transformation, mainly in villages, small towns, and among the less-educated citizens. This showed a society's falling confidence towards the new democracy and liberal market economy as a concept. A slowly on-going rise in discontent has continued since the 2000s.

The shock therapy plan of Minister of Finance Leszek Balcerowicz in collaboration with American advisers incorporated the neo-liberal model of capitalism, with not only more freedom for business and gains for capital, but also with a simultaneous reduction of the role of the state and the trade unions, and constraint of the security of work and income. The opportunity for an improved quality of life for low-educated citizens and those living in small places or in low-income families vanished, due to the unequal access to education, work, and social networks. These neo-liberal policies were approved and implemented by all the left-wing governments in the 1990s, and continued by PO later, in 2007–2015. This contributed to a more deeply divided society and increasing polarization.

#### 4.2.2. Income inequality

Inequality in Poland, as in most countries, has been increasing since the 1990s. Wages under the transformation stagnated. Don Kalb studied a workers' community in Wrocław and found out that workers' average wages in the Wrocław Whirlpool factory (earlier Polar) in 2007 were almost the same as in 1997, about 300 € per month, even though productivity per

worker at this factory increased by 700% in this period (Kalb, 2009, p. 295). Feeling exploited by Western capital and left with insufficient income, they did not feel as though they were transformation's heirs.

Wage differences contributed to increasing inequality. According to the research of Brzeziński based on data from 2014, wage inequality, measured by the average pay per hour for highly paid employees compared to the average for low-paid employees, was 4.7 times higher, while the average pay discrepancy for the EU was 3.5. This larger variance in pay came from: 1) a high share of workers in Poland receiving the minimum salary (23.6%), when the average for the EU was at 17.2%; and 2) the low tax progression in the Polish taxation system. Both the small number of collective work contracts and low trade union participation were additional factors which hindered wage increases and contributed further to increased inequality among employees (Brzeziński, 2017, pp. 2–3). The same was confirmed in Barth and Moene's research, where the USA, Portugal, Poland, and Hungary were countries with the highest wage dispersion among OECD members in 2009 (Barth & Moene, 2013, p. 144).

It should be admitted that disparity between workers' wages and salaries of managers has been huge: the annual salary of the CEO of the bank Pekao SA in 2015 was 8 million zloty (PLN), whereas the average family's disposable income in 2015 was 21.000 PLN, which clearly shows a class distinction in society. At the same time, the income of the CEO of Norway's biggest bank, including bonus, was 26 times higher than an average family's annual income (Tomczak, 2017, p. 14).

The European Union criticized Poland for its practice of generating a high volume of temporary work contracts (over 50% of contracts) for employees; these do not include health insurance and pension contributions.

The wage and income inequality grew steadily from 1989 to 2007 and slowed a little in 2007, after the introduction of a tax discount for families with three or more children and families with low income (Myck & Najsztub, 2016). However, it didn't change fundamental inequalities, like inequality in income, wealth, and especially opportunities, which generally depend on the parents' education and position, social contacts, and the location of where they live.

## 5. Regional Disparities as the Reason for the Political Shift

After eight years in power, the centre-liberal alliance Civic Platform lost the elections in both 2015 and 2019 to the conservative party Law and Justice (PiS), despite its illiberal governance. The global trends and shocks, transformation controversies, and increasing inequality explained the grounds for the growing frustration over the fading state support and emerging insecurity.

### 5.1. Misjudged total rejection of socialist values

The right time did not come for making an objective analysis about the positive sides of the defeated system during the transition. Some years later, those people who were excluded and harmed by the transformations in their workplaces and homes reflected on it. Socialism had given free access to education to everyone on all levels, massive school courses for analphabets were organized in the 1940s and 1950s, children from low-income families got scholarships to study at universities. Everyone had a job, two weeks of inexpensive holidays in resorts owned by the trade unions, summer camps for school children free of charge, inexpensive public transport, and low-cost cinema and theatre tickets. There were libraries and cultural events in all small places and special events, like 1<sup>st</sup> of May or New Year's Eve dancing festivities.

Professor Friszke pointed out three main reasons for the anti-socialist revolt: the lack of independence, the lack of free speech, and the limited presence of religion in public life. However, he also underlined that the socialist systems provided *opportunity for social advancement and security* for many (Friszke, 2017, p. 48–49). There was no clear pathway in 1989 for sequencing the reforms, so instead of building up an operative state administration, the shifting governments worked on resetting the former government's institutional structures and implemented its own concepts, such as pension, education, and health system reforms (Dudek, 2017). In the course of frequent institutional changes, society became confused and more divided: those less successful or lost in the process of market-imposed changes expected the state to help and protect them, while the successful new elites were pleased with

the freedom, the individual choice of career, and the minimal state presence. The social progression for those deprived was locked and polarization was augmented (Raciborski, 2017). Unsurprisingly, the ongoing shifts had changed the political empathy of voters. One should understand that freedom has not the same meaning and importance for each citizen, as the persistent pressure to choose, respond, and decide for oneself is regarded by many, especially the less-educated, as a burden. They do not know what the best choice is, they cannot evaluate alternatives, or even worse, do not have a choice, as they do not have resources. They are NINJA-people: no income, no job, no assets.

The historical tradition explains the phenomenal alliance of 1989 and the massive support for anti-Soviet political change, but the break of the great alliance so soon in 1990 as well as frequent shifts and conflict between competing rent-seeking groups challenged social confidence and social trust when daily life became tougher for the middle class. Economic outcomes awakened more attention to the problems. As the difference between left and centre politics became unclear to people, they turned to the right, because PiS politicians used simple, understandable language. Persistent democratic backsliding due to the party's illiberal and illegal provisions have not awakened reactions among the party's supporters.

### 5.2. Persistent regional disparities in living conditions

A group of researchers from University of Warsaw, EUROREG Centre, studying regional inequality constructed the deprivation index to analyse the threat of deprivation—the deficiency in acceptable living conditions—for Poland's regions, which comprise 380 counties. In the EUROREG Report of 7/2015, deprivation is defined as the lack of access to resources and opportunities, which are common in any given society. The report discusses two features of deprivation: an individual aspect, i.e., access to public services, and a common aspect, i.e., the capacity of the individual to participate in community life (Smętowski, Gorzelak, Płoszaj, & Rak, 2015). The authors collected data on incomes, unemployment, education, housing, health, and access to public services for index calculation. The results presented in the report showed slight, but no essential improvement between 2002 and 2013: over 50% of counties were

at risk of deprivation: 213 in 2002, 106 at high risk; and 195 in 2013, 104 at high risk. A minimal decline occurred over 10 years from 58% to 51%, and no change in exposure to high risk: 27%. Small towns were more exposed than cities, especially in the eastern part of Poland. Big cities, like Warsaw, Cracow, Gdańsk, Poznań, Wrocław, Łódź, and Katowice, showed better projections (Smętowski, Gorzelak, Płoszaj, & Rak, 2015 p. 30, <https://www.euroreg.uw.edu.pl/pl/publikacje,pid2015>). It is important to emphasize that living conditions depend not only on the household incomes, but also on access to education, public transport and services, geographic location, and the population's age structure (migration of young people to cities and abroad).

### 5.3. Economic elevation of low-income groups by PiS alliance

The specific Polish factors of populists' success was a combination of ideology and economic incentives: elevation of the low-income groups and the reinforcement of the strong positions of the national state and church. Former governments, both the centre-left and centre-liberal, provided liberal or neo-liberal economic policies concentrated on capital gains, but the deeply conservative PiS alliance conducted the left-oriented economic policies: a high child allowance 500+, an increase of minimum wage each year (from 1.750 PLN in 2015 to 2.800 PLN in 2021 [from 400 to 625 € gross per month]). The 3010 PLN in 2022 and 3490 in 2023 was raised to 3.600 from 1<sup>st</sup> of July 2023. For the first time after the transition, a minimum hourly wage for people employed on temporary contracts was imposed in 2017: from 12 PLN/h to 23.90 PLN/h (as of 1/07/23).

Additionally, acquisitions of Polish bank and insurance shares, owned by foreign holders, by Polish institutional investors was prioritized. The share of banks with foreign capital of the total assets of banking sector in Poland fell from 63% in 2013 to 45% in 2017 (Szpunar, 2020, p. 247). Because banks and financial institutions earn good profits, increasing national ownership brings money to the state budget and the transfer of profits abroad will go down.

### 5.4. Household budget statistics for selected regions (voivodeship)

To find out whether the economic elevation of households, according to my hypothesis, has been an important factor contributing to the PiS alliance's success, I selected data from the Central Statistics Office (GUS) showing the household budget changes by region, as illustrated in Table 1. The table shows the increase in disposable household income per person in selected regions (voivodeships) in the PO governing period 2010–2015 and in PiS's first term in power, 2015–2019.

The geographic placement of voivodeship shown below can be viewed on the map of voivodeships in Poland linked here: <https://www.zpp.pl/mapa-polski>.

The results show the doubled growth of disposable income for households under the PiS governing period than under the PO's.

The recently published report by Central Statistics Office (GUS) on regional development confirms the reduction of poverty: from 2011 to 2021 the poverty rate fell from 17.7% of households to 14.8%, and in the poorest, easternmost part of Poland it fell from 23.1% to 18.9%. Gini coefficient decreased from 0.338 in 2011 to 0.319 in 2020 (Regional development of Poland, 2022, p. 57).

Child poverty had also decreased. According to Eurostat, the child poverty rate for Poland in 2016 was 23.3%, and it dropped to 16.8% in 2017 (Jędrzejczak, & Pekasiewicz, 2020, p. 136).

The results presented above show a faster improvement of living conditions for low-income groups under PiS reign. New proposals of financial support, such as the recent decision on the 14<sup>th</sup> pension from 2023, and the increase in minimum wage twice a year, in January and July, confirm continuation of this policy. It, obviously, costs money, but Poland's government debt, according to the Maastricht definition and as presented in OECD reports, circulates around 50% of GDP in recent years, which is not a critical value, compared with other EU countries. Therefore, it does not appear that the party is facing a budget crisis, despite increasing expenditures.

**Table 1.** Family disposable net income per person per month in selected voivodeships (family budgets data, BGD) 2010, 2010–2015 and 2015–2019 (in PLN, % increase)

Disposable income	Podkarpackie	Lubelskie	Swietokrzyskie	Podlaskie	Malopolskie	Mazowieckie	Poland
<b>2010 in zloty</b>	866	930	997	1067	1069	1539	1147
<b>2010–2015 % increase</b>	19	26	17	13	19	10	17
<b>2015–2019 % increase</b>	39	28	35	41	37	20	32

Source: Author's selection and calculation of data from Central Statistical Office (GUS) family budgets, [www.stat.gov.pl](http://www.stat.gov.pl)

**Table 2.** Voting results in the presidential election in selected voivodeships in 2020 (in percentage of votes)

Candidates	Podkarpackie	Lubelskie	Swietokrzyskie	Podlaskie	Malopolskie	Łódzkie	Mazowieckie
<b>Andrzej Duda</b>	70.9	66.3	64.4	60.1	59.6	54.5	47.7
<b>Rafał Trzaskowski</b>	29.3	33.7	35.6	39.9	40.4	45.5	52.3

Source: Author's selection of data from: <https://prezydent20200628.pkw.gov.pl/prezydent20200628/pl/wyniki/pl>

## 5.5. Regional voting pattern in presidential election in 2020

To prove the hypothesis regarding the importance of economic factors for the outbreak of populism discussed above, the voters' preferences in the second round of the presidential election in 2020 for PiS candidate Andrzej Duda and the opposition's candidate Rafał Trzaskowski are presented in Table 2.

Andrzej Duda won the election with 51.03% of the votes, with a majority in 6 voivodeships; the opposition's candidate Rafał Trzaskowski got a majority of votes in 9 voivodeships, a total of 48.97% votes. If we compare figures in Table 1 and Table 2, the correlation between income increases in lower-income voivodships and the political preferences of voters there is quite visible. In Podkarpackie and Lubelskie voivodeships, those with the lowest household income, Duda got 71% and 66% of votes. The voters in the Eastern and South-Eastern regions supported the PiS alliance candidate, while the wealthier Central and Western regions and voters in big cities, voted for the PO-alliance candidate.

However, as the last presidential election proved, the support for the opposition has increased, as the margin of votes for the winning candidate was quite small.

## 6. Changing Values and Principles in Politics and Governance

The motto of the Solidarity movement 'Nie ma wolności bez solidarności' (there is no liberty without solidarity) has been changed over time to 'from liberalism to solidarity', as the gap between new elites and the middle class has deepened and lifted the PiS alliance to a governing power.

Since 2015, the PiS coalition has imposed numerous undemocratic changes:

- Legal and the court system reform – both institutional reforms and personal shifts violate the independence of the 'third power',
- The state's financial contributions were given only to party-friendly media, television channels, press, cultural institutions, and selected public events,
- Abolition of the civil service system for employment in ministries and public institutions,
- Nominating incompetent party members to top positions in state-owned companies and public institutions,

- Discrimination of LGBT minorities and enhanced influence of the Catholic church in public life and politics,
- Distortion of the interpretation of history via newly created research institutes and support to ideologically oriented research,
- Change of schools' curricula towards 'patriotic values'.

These and other authoritarian interchanges were met with street protests in many cities, but the protests didn't help opposition candidates to win elections. The reasons why PiS won the election in 2019 with 44.6 % votes (37.6% in 2015), despite protests, critics, and international reactions, were discussed above. Transition complexity, inequality, polarisation, and external shocks caused the neoliberals to turn towards individual responsibility, instead of corporate or collective public responses to social problems. PiS lifted low-middle class economically, which former governments had left to market forces, to no avail.

A reasonable approach for the opposition parties to win the 2023 election would be to cooperate and develop the program to attract voters, and not just constantly criticise the governing alliance's illiberal decisions. The prospects are not very optimistic with the PiS, who are getting 32–35% of the support, according to the most frequent polls. The biggest opposition party, the PO, draws around 24–29% of potential voters, followed by 'Poland 2050' and the Polish Centre Party (PSL). The lack of cooperation between the opposition parties so far keeps an election victory on hold.

There are signs of a slight change in the political power picture:

- Young people, generally not engaged in politics, are starting to discuss, comment, and react to the church-pushed overwhelming conservatism and freedom restraints. They have also been protesting against the strict abortion law and plans to curb free media with new taxes.
- The split in the PiS coalition with different options for election coalitions,
- Staff complaints about PiS voters against incompetent managers in state-owned companies - party pals appointed to top positions are often non-professionals,
- Shifting trust in government.

But these are small signs of a change of opinion, which does not mean the opposition will win the 2023 election with today's political and social constellations.

## 7. Conclusions

To explain the shift towards populism in Poland, the analysis here concentrated on a regional approach to find out the main reasons for voters shifting their political support from liberal to populist parties. The contribution of the article has been to advance knowledge about which international and national factors affected the living conditions and society in these local regions and changed their political response. The study presented three main factors affecting the living conditions for local households: enduring globalization's effects, transformation's contradictions, and the national neo-liberal economic policy outcomes, all contributing to increasing disparities among and within Poland's regions (voivodeships). The comparison of the election results in 2020 for the selected voivodeships proved the author's hypothesis that the majority of voters in the low-income regions, who were exposed to deprivation, voted for the populist candidate. A similar pattern also applies to the 2019 parliamentary election, but it was not featured here.

Globalisation and transition towards a market economy have changed business structure and location, ownership, work conditions through close-downs, take-overs, restructuring, generating numerous deserted locations, with no jobs, no public services, and vanishing opportunities for upward mobility and social participation. Low wage increases and high wage disparity between positions and regions raised destructive conflicts between elites and workers, leading to polarisation and populism. The results presented here of EUROREG deprivation studies showed a very small improvement in household living conditions between 2002 and 2013. The liberal economic policy of shifting governments under transition left the solution of the problems that have arisen to the market, which increased mistrust in institutions and governance. The focus on significant differences between regions presented here is a useful contribution to understanding political shifts, because the national economic indicators for Poland were quite positive over the years, also under an international crisis from 2007 to 2009, 'the green island' in Europe, with positive ratings in international reports.

After the PiS success in both parliamentary and presidential elections in 2015, the household disposable income in the regions presented here increased at a faster pace from 2015 to 2019, and the poverty rate was reduced.

The data presented show a clear correlation between household living conditions and voters' preferences: low-income locations voted for PiS. However, the populists' success also had additional explanations: cultural and historical disparities between regions and social groups and church and family connections, although these were not analysed here. The frequent violation of democracy, the independence of courts, political overrun of mass media, and politization of public institutions raised national and international protests but did not end up with the loss of the elections in 2019 and 2020. This indicates that, for the majority of voters, economic incentives mattered more than the violation of democracy and freedom principles. The voters and alliances for the PO were mainly more highly educated citizens, living in cities, economically advantaged, and they valued democracy and freedom highly. They were not minimum-wage workers, or the unemployed, so the party lost contact with the lower-middle class, and lost interest in improving their living conditions, which resulted in electoral defeat.

The political situation in Poland, and the expansion of populism in other countries, calls for a general reconsideration of the neoliberal socioeconomic order and imposes new rules for competition between local business and giant global companies. The European Union does its job through punishments for violation of the law in Poland and other member countries, and thus attempts to limit oligopolistic power of global players, but the process of enacting and implementing new rules is going slow. The World Bank's suggestion of developing differentiated measures of inequality, with new indexes showing peoples' perception of inequality, should be carried out (The World Bank, 2016).

To reduce polarisation, new forms of institutional coordination and fair redistribution of gains and losses are needed. Social media communication, fake news, and artificial intelligence progress bring new challenges. These complex problems require international involvement, but to avoid populisms' rise, the opposition parties should put forward economic solutions that the improve living conditions of citizens, especially the reduction of local inequalities.

'As the experience with financial globalization demonstrates, "the magic of markets" is a dangerous siren song that can distract policy makers from the fundamental insight of Capitalism 2.0; markets and governments are opposites only in the sense that they form two sides of the same coin. Markets require other social institutions to support them. (...) In other words, markets do not create, regulate, stabilize, or sustain themselves' (Rodrik, 2011, p. 237).

## References

- Acemoglu, D. A. (2020, October 16–18). Punkt Przeciżenia (Point of Overloading), Interview *Dziennik Gazeta Prawna*, pp. A16, A17.
- Ahlquist, J., Copelovitch, M., & Walter, S. (2020). The Political Consequences of External Economic Shocks: Evidence from Poland. *American Journal of Political Science*, 64(4), 904–920. <https://doi.org/10.1111/ajps.12503>
- Atkinson, A. B. (2019). *Measuring Poverty Around the World*. Princeton and Oxford: Princeton University Press.
- Barth, E., & Moene, K. O. (2013). Why Do the Small Open Economies Have Such a Small Wage Differential? *Nordic Economic Policy Review-Norden*, 1, 139–169.
- Bauman, Z. (1998). *Globalization and Its Consequences*. Cambridge, England: Polity Press.
- Bauman, Z. (2004). *Wasted Lives: Modernity and Its Outcasts*. Cambridge, England: Polity Press.
- Bauman, Z. (2007). *Liquid Times: Living in an Age of Uncertainty*. Cambridge, England: Polity Press.
- Beck, U. (2004). *Globalisering og Individualisering*. Oslo, Norway: Abstrakt Forlag AS.
- Bhagwati, J. (2004). *In Defense of Globalization*. New York, USA: Oxford University Press.
- Billing, H. J. (2007). The Other Side of the Coin: Conceptualizing the Relationship between Business and the State in Age of Globalization, *Business and Politics*, 9(3), 1–20.
- Bliss, Ch. (2007). *Trade, Growth, and Inequality*. Oxford, England: Oxford University Press.
- Bogumil, P. (2009). Regional Disparities in Poland. *ECFIN Country Focus VI* (04).



- Broz, L., Frieden, J., & Weymouth, S. (2021). *Populism in Place: The Economic Geography of the Globalization Backlash*. Cambridge, England: Cambridge University Press.
- Caporaso, J., & Tarrow, S. (2008). Polanyi in Brussels: European Institutions and the Embedding of Markets in Society. *RECON Online Working Paper*, 01.
- Davidson, K. M. (2009). Reality Be Damned. The Legacy of Chicago School Economics. *The American Interest*, Nov–Dec, 36–45.
- Dervis, K. & Özer, C. (2005). *A Better Globalization: Legitimacy, Governance and Reform*. CGD Washington, DC, USA: Brookings Institution Press.
- Dinopoulos, E., Pravin, K., Panagarija, A., Wong, K. Y. (Eds.). (2008). *Trade, Globalization and Poverty*. New York, USA: Routledge
- Drez, F., Leigh, D., & Tambunlertchai, S. (2018). *Global Market Power and its Macroeconomic Implications*. Washington D.C., USA: IMF.
- Dudek, A. (2017, February 22–28). Wyszło, nie wyszło. *Polityka*, pp. 53 – 56
- Dunning, J. H. (Ed.). (2002). *Regions, Globalization, and the Knowledge-based Economy*. Oxford, England: Oxford University Press
- Eichengreen, B., & Mussa, M. (1998). Capital Account Liberalization and the IMF. *Finance Development IMF*, 35(4).
- Epstein, G. A. (Ed.). (2005). *Financialization and the World Economy*. Cheltenham, England and Northampton, MA, USA: Edward Elgar Publishing.
- Friszke, A. (2017, February 22–28), Historia kontrolowana. *Polityka*, pp. 48–51.
- Giddens, A., & Hutton, W. (2001). *On the Edge – Living with Global Capitalism*. London, England: Vintage.
- Giddens, A. (2007). *Europe in the Global Age*. Cambridge, England: Polity Press.
- GUS (2018). *Jakość życia i kapitał społeczny w Polsce. Wyniki badania spójności społecznej 2018*. Retrieved from <https://stat.gov.pl/obszary-tematyczne/warunki-zycia/dochody-wydatki-i-warunki-zycia-ludnosci/jakosc-zycia-i-kapital-spoeczny-w-polsce-wyniki-badania-spojnosci-spoecznej-2018,4,3.html>
- Hawkins, K. A. & Kaltwasser, C. R. (2017). What the (Ideational) Study of Populism Can Teach Us, and What It Can't. *Swiss Political Science Review*, 23(4), 526–542.
- Hemer, O., & Tufte, T. (2012). Com Dev in the Mediatized World. *Nordicom Review*, 33, 229–237. Retrieved from <https://doi.org/10.2478/nor-2013-0038>
- Iversen, T. & Soskice, D. (2019). *Democracy and Prosperity: Reinventing Capitalism through a Turbulent Century*. London, England and Princeton, USA: Princeton University Press.
- James, P. & Steger, M. B. (2010). *Globalization and Culture Vol.4: Ideologies of Globalism*. London, England: Sage Publications.
- Jarosz, M. (Ed.). (2008). *Wykluczeni. Wymiar Społeczny, Materialny i Etyczny*. Warszawa, Poland: Instytut Studiów Politycznych PAN.
- Jędrzejczak, A. & Pekasiewicz, D. (2020). Changes in Income Distribution for Different Family Types in Poland. *International Advances in Economic Research*, 26, 135–146
- Kalb, D. (2009). Headlines of Nationalism. Subtexts of Class: Poland and Popular Paranoia 1989 – 2009. *Anthropologica*, 51(2), 289–300.
- Kaltwasser, C. R. (2021). Bringing Political Psychology into the Study of Populism. Retrieved from <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7935023/>
- Kaltwasser, R. C., & Taggart, P. A. (2016). Dealing with Populists in Government: Some Comparative Conclusion. *Democratization*, 23(2), 345–365.
- Knutsen, C. E. (2021). *Demokrati og Diktatur*. Bergen, Norway: Fagbokforlaget.
- Kowalski, T. (2021). The Post-2015 Institutional Shock in Poland: Some Empirical Findings. *CESifo Forum*, 22, 43–48.
- Lasswell, H. D. (1936). *Politics: Who Gets What, When, How*. New York, USA: Peter Smith.
- Luttwak, E. (1999). *Turbo-Capitalism: Winners and Losers in the Global Economy*. New York, USA: HarperCollins Publishers.
- Maddison, A. (1988). *Phases of Capitalist Development*. Oxford, England and New York, USA: Oxford University Press.
- Mede, N. G., & Schäfer, M. S. (2020). Science-related Populism: Conceptualizing Populist Demand Toward Science. *Public Understanding of Science*, 29(5), 473–491.
- Michalak, R., & Piasecki, A. (2016). *Polska 1989–2015, Historia Polityczna*. Warszawa, Poland: PWN.

Milanovic, B. (1998). *Income, Inequality and Poverty during the Transition from Planned to Market Economy*. Washington, D.C., USA: The World Bank.

Milanovic, B., (2002). *The Two Faces of Globalization: Against Globalization as We Know It*. Washington D.C., USA: The World Bank, Research Dept.

Milanovic, B. (2005). *Worlds Apart, Measuring International and Global Inequality*. New York, USA: Princeton University Press.

Nederveen Pieterse, J. (2004). *Globalization or Empire?* London, England: Routledge.

Ocampo, J. A. & Stiglitz, J. E., (Ed.) (2008). *Capital Market Liberalization and Development*. Oxford, England: Oxford University Press.

Ost, D. (2005). *The Defeat of Solidarity: Anger and Politics in Post-communist Europe*. New York, USA: Cornell University Press.

Østerud, Ø. (2017). Populismen tar over verden, *Nytt norsk tidsskrift*, 34(3), 243–258.

Pirro, A. L. P., & Stanley B. (2022). Forging, Bending, and Breaking: Enacting the “Illiberal Playbook” in Hungary and Poland. *Perspective on Politics*, 20(1), 86–101.

Porter-Szűc, B. (2014). *Poland in the Modern World: Beyond Martyrdom*. Oxford, England: Wiley-Blackwell.

Porter-Szűc, B. (2020). From Homo Sovieticus to Homo Economicus: The Transformation of the Human Subject in Polish Economic Thought. *East European Politics and Societies and Culture*, 34(3), 46–57. Retrieved from <http://online.sagepub.com>

Porter-Szűc, B. (2019). Meritocracy and Community in Twenty-First-Century Poland, *Shofar: An Interdisciplinary Journal of Jewish Studies*, 37(1), 72–95.

Regions at a Glance 2009. Retrieved from [http://www.oecd.org/document/9/0,3343,en\\_2649\\_33735\\_42396233\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/9/0,3343,en_2649_33735_42396233_1_1_1_1,00.html)

Regional development of Poland—analytical report 2022. Retrieved from <https://stat.gov.pl/en/regional-statistics/publications-and-studies/aggregated-studies/regional-development-of-poland-analytical-report-2022,2,3.html?pdf=1#>

Robertson, R. (1995). *Theory, Culture & Society*. London, England: Sage Publishing.

Rodrik, D. (2000). How Far Will International Economic Integration Go. *Journal of Economic Perspectives*, 14(1), 177–178.

Rodrik, D. (2011). *The Globalization Paradox; Why Global Markets, States and Democracy Can't Coexist*. Oxford, England: Oxford University Press.

Rodrik, D. (2021). Why Does Globalization Fuel Populism? Economics, Culture, and the Rise of Right-Wing Populism. *Annual Review of Economics*, 13, 133–170.

Shields, S. (2012). Opposing Neoliberalism? Poland's Renewed Populism and Post-Communist Transition. *Third World Quarterly*, 33(2), 359–381, Retrieved from [https://www.jstor.org/stable/41507174?searchText=&searchUri=&ab\\_segments=&searchKey=&refreqid=fastly-default%3A771c05a554f0fe57e0144cd873938dba&seq=1](https://www.jstor.org/stable/41507174?searchText=&searchUri=&ab_segments=&searchKey=&refreqid=fastly-default%3A771c05a554f0fe57e0144cd873938dba&seq=1)

Szűmowski M, Gorzelak G, Płoszaj A, Rak J (2015). Powiaty zagrożone deprywacją: stan, trendy i prognoza. *Raporty i analizy EUROREG 7*. Warszawa, Poland: Uniwersytet Warszawski.

Sofizade, J. (2019). The „Debate” About Poland: The Representation of Poland and the EU in the European Parliamentary Debate on 15/11/17. *Politeja*, 6(63), 215–225.

Steger, M. B. (2019). *Globalism: Facing the Populist Challenge*. Fourth Edition. London, England: Rowman & Littlefield Publishers.

Stiglitz, J. E. (2002). *Globalization and Its Discontents*. New York, USA: W. W. Norton.

Stiglitz, J. E. (2006). *Making Globalization Work*. New York, USA: W. W. Norton.

Szpunar, P. J. (2020). How to Benefit from Financial Deepening While Preserving Financial and Macroeconomic Stability: The Case of Poland. *BIS Papers*, No. 113, 243–254.

Sztompka P. (2019, September 27) Sześć fundamentów wspólnoty, *Rzeczpospolita*. Retrieved from [www.rp.pl/opinie](http://www.rp.pl/opinie)

Civilizational Competences and Regional Development in Poland, edited by Barbara Liberda Anna Grochowska, Warsaw University Press, Warsaw 2009, Danuta Tomczak Global Economy - the Chance for Active Regions, pp. 167 - 182.

Tomczak, D. (2017). Równość społeczna jako czynnik rozwoju gospodarczego - doświadczenia skandynawskie. [Equality as input to economic development - the Scandinavian experience]. *Biuletyn PTE*, 76(1), 7–14.

Tworzecki, H. (2019). Poland: A Case of Top-Down Polarization, *Annals AAPSS* 681, 97-1-19.

Wojcik, P. (2009). Are Polish Regions Converging? In: *Civilization Competences and Regional Development in Poland* (pp. 87 – 99). Warszawa, Poland: Warsaw University Press.

World Bank Group (2016). *Polarization and Populism*. Office of the Chief Economist, Washington, D.C., USA: The World Bank.