



The Impact of Globalization on the Polish Economy: The Case of the Tourist Sector

David Szemik,
Jagiellonian University

Abstract

The word “Globalization” has become one of the most frequently used to describe the modern (worldwide) reality. One of the main features of globalization is the integration of processes, activities, and entities in a global aspect. The current economic crisis, which started on the other side of the world affects the functioning of financial markets, countries and societies around the globe. Poland has also felt victim to the crisis. This economic turmoil creates negative effects such as: polarisation of the society, centralization of power at international levels which affects the formation of power in our country, pauperization in ever widening societies, shrinking production by companies, etc. (Gliwice Opel factory 43.5%, according to the UNWTO last year there has been an 8% decrease in foreign travels compared to previous year; the largest European hotel chain Accor has ended year 2009 with a net loss of 282 million euro, the crisis has also reached the winter capital of Poland - Zakopane, the decrease in number of tourists up to 30%) Globalization has a strong impact on the unification of the tourism market, as a result of that the quality in this sector is lowered. Mass tourism also affects environment degradation, for example the Tatrzański National Park, the decline of local culture, which is strongly influenced by other cultures and is subjected to high levels of commercialization could be given as a second example of the degradation and decline. Globalization affects also one of the most important aspects in the tourism sector which is hospitality. Nowadays the clients are “processed” and treated as “goods” that is due to the strong emphasis put on profits and making money.

Key words: unification, commercialization, crisis, mass tourism, centralization

Introduction

“Globalization” has become a cover term used for describing current situation all over the world. One of its main characteristics is the worldwide integration of



processes, activities and subjects. This phenomenon has caused a number of technological revolutions in transportation, communication and data transfer. According to professor Małgorzata Bednarczyk, Ph.D., the Head of the Chair of Management in Tourism at the Jagiellonian University, we can distinguish several aspects of globalization in the tourist sector, the most important ones being¹:

Globalization in finances and capital ownership	deregulation of financial markets, international mobility of capital, increasing number of mergers and acquisition
Globalization on strategy markets	worldwide integration of economic activities, global search for components, strategic alliances
Globalization in technology, technology-related research and knowledge	the development of information and telecommunications technology enables the development of global networks in one or between many companies
Globalization of lifestyles and consumption models; globalization in culture	the transfer and transplantation of dominating lifestyles, the unification of consumption models
Globalization in governing and regulations	reduced importance of national governments and parliaments, attempts at creating a new generation of laws and global authorities
Globalization as a political unification of the world	countries conducting analyses of the integration of the world's societies into one global, political and economic system governed by one leader
Globalization of perception and consciousness	social and cultural processes focused on "One Earth"; globalist movements

¹ Bednarczyk, M. (ed.), *Konkurencyjność małych i średnich przedsiębiorstw na Polskim Rynku Turystycznym*; Wydawnictwo Uniwersytetu Jagiellońskiego; Kraków 2006



Globalization, then, resembles some kind of supranational society formed in the spirit of unity and common good. International Monetary Fund defines globalization as, primarily, “a growing interdependence of countries around the world due to the increasing size and number of transactions including the exchanging of goods and services, and capital flow, together with a fast expansion of technology”.

The impact of globalization

Globalization does not only mean unification, standardization or blurring borders between countries. The impact of globalization on all aspects of life is immense. The appropriate example here seems to be the current (economic) crisis, which, despite having begun in a distant part of the world, has spread like a virus affecting financial markets in a number of countries, including Poland. According to the study carried out by Tadeusz Teofil Kaczmarek, a doctor of economics and a member of the Polish Economic Society, the economic crisis which began in 2008 was caused by factors such as:

1. the necessity of oil supplies
2. global terrorism which gained a new meaning after September 11th, 2001; terrorists act on a global scale
3. US dollar and the USA's deficit. During George W. Bush's presidency, the deficit in 2005 equaled 319 billion dollars, and in 2007 it already reached 359 billion dollars.
4. China and the risk caused by its superfast economic growth. It is estimated that in 2050 China will become the greatest global superpower. If China faces any problems like, for example, difficulties with resources supply or ineffective banking system, those phenomena will spread to other Asian countries, and consequently to the rest of the world.
5. political conflicts and local crises. Uncertain situation in North Korea and Iran, communist regimes in possession of nuclear weapon.
6. crisis of the World Trade Organization. The worldwide economy is growing, but the growth is uneven. WTO's influence on the worldwide economy is slowly declining



as the developed countries are more and more eager to sign bilateral or regional treaties.

7. the danger of climate changes. "Global warming is currently regarded as one of the most important uncertainty and risk factors. The Kyoto Protocol includes tasks aimed at reducing the emission of gases into the atmosphere by 2012 to the level recorded in 1990².

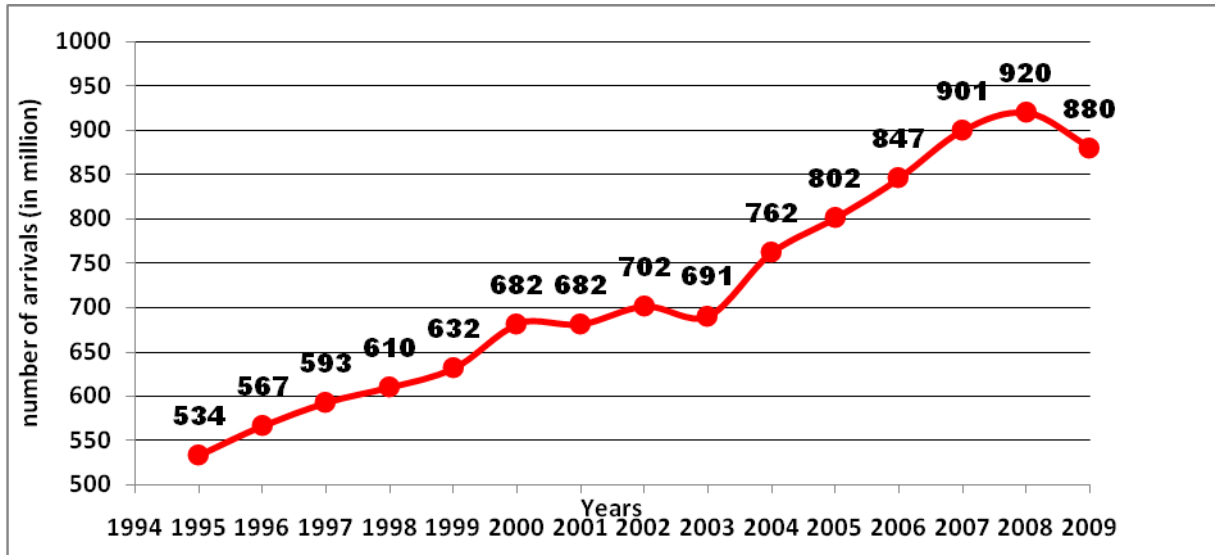
The effects of the global recession have also been visible in Poland through the creation of negative phenomena, such as an increasing polarization of society or the centralization of power at an international level which means adjusting local government's decisions to international directives and guidelines. Less optimal decisions, based on incomplete data, are often being made. There is also the impoverishment in the rising number of social circles. It has become apparent that lowering trade barriers and opening capital flows will not resolve the growing impoverishment of the society; in fact, the opening trade markets could make the current situation even worse. The solution to this problem may be found in a greater help from the developed countries and in a more fair trading system. Examples from the years 2008-2009:

- Over 43,5% decrease in the number of cars produced in the Opel factory in Gliwice. Source: Polish Press Agency (PAP)
- 8% decrease in the number of trips abroad in 2009 in comparison to 2008. Source: UNWTO
- Hotel chain Accor finished the year 2009 with a loss of net sum of 282 million euro. Source: Polish Press Agency (PAP)
- The winter capital of Poland, Zakopane, has observed almost a 30% drop in the number of tourists.
- In 2009, 19.4 million tourists used mass accommodation places (1.0% less than in 2008). Source: Polish Central Statistical Office (GUS)

² Kaczmarek, Tadeusz Teofil, *Globalna gospodarka i globalny kryzys*. Difin SA, Warszawa 2009



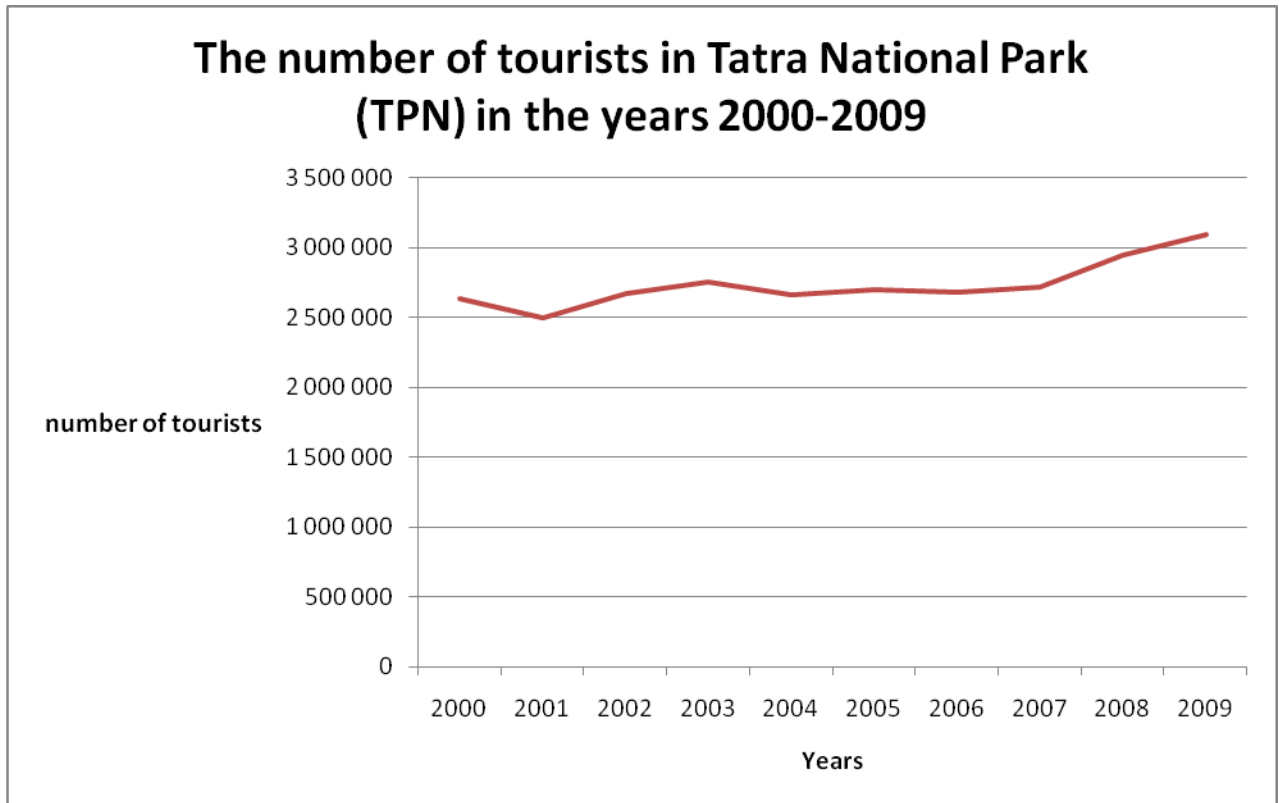
The World Tourism Organization (UNWTO) reveals a downward trend in international travelling, which is certainly caused by the worldwide recession. The chart prepared by UNWTO:



Globalization causes the unification of services in the tourist market which leads to the standardization of comfort and partial decline in quality in this sector. There is a tendency now to cater for the mass audience lacking individuality, which obviously affects the quality more and more often. The tourist sector has always been characterised by hospitality; at the moment, it's a secondary matter, as customers are frequently objectified and treated as a means for making a profit. It is important to try to turn away from this trend; according to UNWTO, there has been a slow move away from mass towards individual tourism, and such changes are more and more frequently forecast by tourist organizations. Mass tourism and profit-oriented management may significantly influence the degradation of the environment, which is often explicit in Poland, especially in Tatra National Park. The rising number of tourists and overcrowded mountain trails contribute to the slow destruction of plant zones, the scaring of animals, the disturbance of silence in the mountains, the littering, environmental contamination with sewage and waste from buildings and railway machines.



The chart based on the data published by Tatra National Park:



The last important element which needs to be noted is acculturation, that is the merging of different cultures. The host's culture is particularly at risk, as he or she is the person who takes the tourist in and has to adjust to the visitor's culture, behaviour, attitudes and values. The tourist sector is a curious exception in this matter, since the intercultural contact occurs here without any constraints. However, this phenomenon may negatively affect the local cultures with their unique language, values and customs.

Conclusion

Over the past few years, the problem of globalization has been widely discussed at international scientific conferences and in many other circles. It is mainly caused by the fact that the notion itself has been broadening its range of influence more and more. Globalization in the tourist sector may substantially influence the shaping of the tourist services market. What needs to be considered is the way and the extent of protecting the national, cultural and social identity which will be subjected to unification and may result in the formation of a similar pattern of behaviour, attitudes



and customs around the world. Polish tourist sector should be characterized by its own individuality, but at the same time should also seek to participate in the ongoing economic and social processes in the world.