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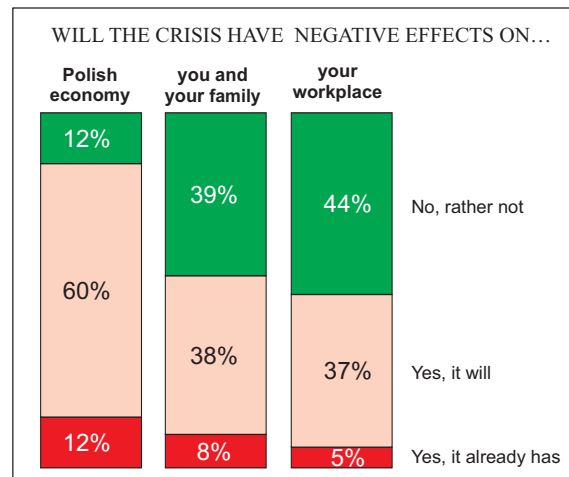
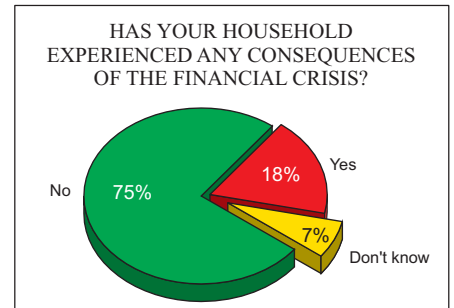
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REACTIONS TO FINANCIAL CRISIS

Recent mass media communication has been saturated with information about the incoming financial crisis in developed countries and the threat of economic recession. The scale and frequency of these reports may cause them to be a source of opinions about the economy in its own right, independent of the wage indexes, prices, GDP etc. Opinions about the economy have tangible economic effects, they influence decisions about expenditures, investment and economic activity, as well as other actions bearing economic consequences. CBOS research shows that there is a widespread belief that Poland has not experienced the crisis to a large degree so far, but it will soon be felt.



Close to one-fifth of adult Polish people claim to be affected by the consequences of the global financial crisis.

The most frequently mentioned consequences of the crisis are: reduced earning possibilities and loss of income (6% of all respondents), increase in credit payments (5%), decrease in the value of stock or investment fund in respondent's possession (4%).

A majority of adults Poles (60%) consider the crisis to be a threat to the Polish economy. At the same time,

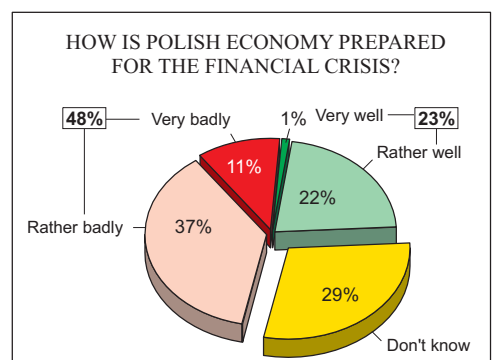
respondents are relatively optimistic about their own workplace: a plurality (44%) believe that their enterprise will not be affected by the crisis. Over a third (37%) are concerned, and 5% have already noticed negative effects.

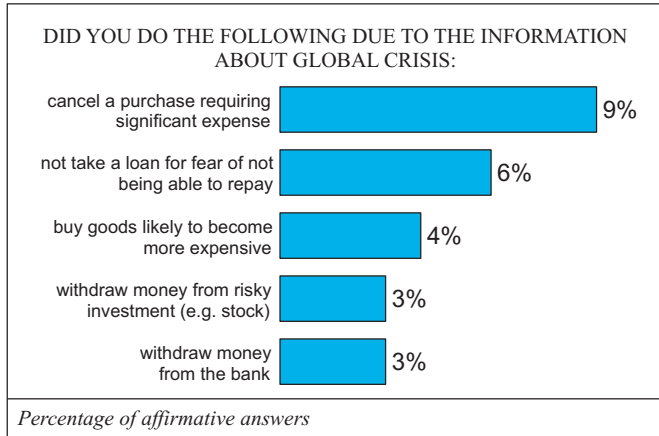
Almost half of respondents (46%) are afraid that the crisis will negatively affect their and their families' living conditions. The better the subjective living conditions, the more optimism there is about the consequences of the crisis.

A plurality of Poles (48%) think that the Polish economy is not prepared for the crisis.

The most common strategy for minimizing the potential effects is cutting expenses.

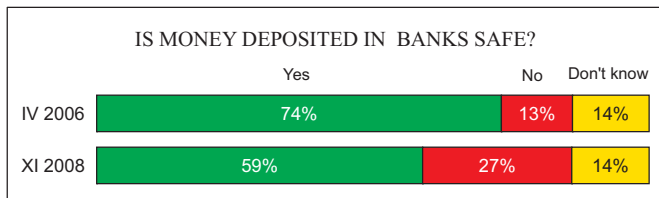
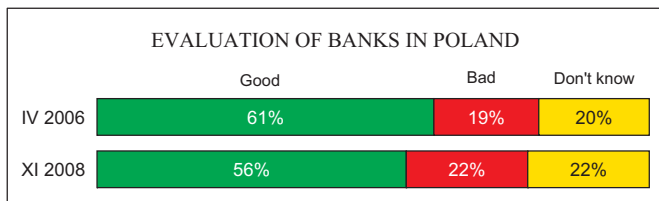
Almost one-tenth of all adult Poles have cancelled a planned purchase requiring significant expense due to the information about the financial crisis. A smaller group of people did not take a loan for fear of not being able to repay it. The number of respondents who bought in advance goods whose price is likely to rise, or who withdrew their money from risky investment or from the bank is negligible on the national scale.





The first victims of the financial crisis were some US and West European banks and their clients. A crisis of confidence in banks, and uncertainty about the safety of deposits may be a catalyst of the financial market crisis by triggering panic leading to insolvency and bankruptcy of banks.

Banks in Poland enjoy a good reputation: most respondents (56%) evaluate them positively. However, since April 2006 the proportion of positive opinions decreased slightly.



On the other hand, the confidence in banks has fallen: the number of respondents who believe that money deposited in banks is safe fell by 15 pct. points compared with 2006, to 59%, while 27% have doubts. Reports about bank bankruptcy in other countries have made some people uneasy about the safety of their assets.

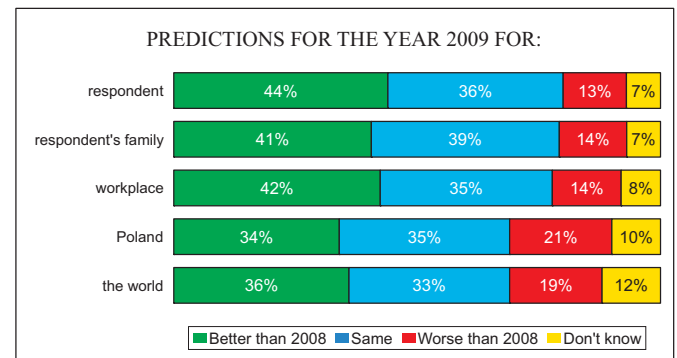
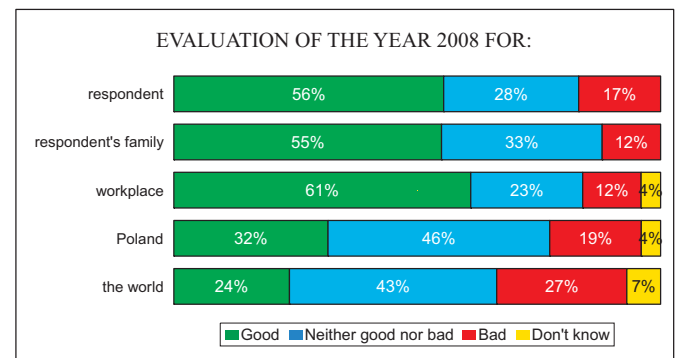
More information about this topic can be found in CBOS report in *Polish Reactions to Financial Crisis*, Dec. 2008. Fieldwork: Nov. 2008, N=1050. The random address sample is representative for adult population of Poland.

EVALUATIONS OF 2008 AND PREDICTIONS FOR THE YEAR 2009

At the end of 2008, positive mood prevailed in Poland. The past year not only matched the people's

expectations in the private and professional sphere, but actually exceeded them. A majority of Poles consider the year 2008 as good for themselves (56%) and their families (55%). Most employees think that 2008 was a good year for their enterprise. Satisfaction in personal, family and professional sphere is the highest ever noted, i.e. for 20 years.

Evaluation of the situation in Poland and in the world is not so good. In the public perception, 2008 was worse than 2007. In a 20-year perspective, however, last year was relatively good. Polish people more often think it was a good time for their country (32%), than bad (19%). In evaluations of the situation around the world negative opinions (27%) slightly prevail over positive (24%).



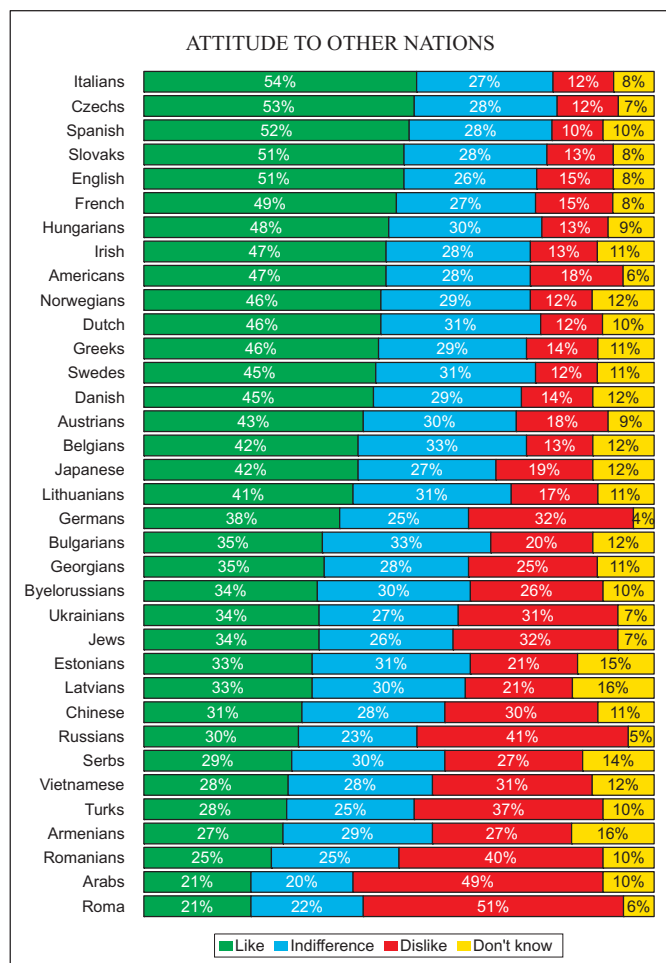
Good evaluations of the year 2008 in private, family and professional dimension are supplemented by optimistic predictions for 2009. More than two-fifths believe that this year will be better both for them personally (44%) and for their families (41%). More than two-fifths of employees (42%) expect improvement of the condition of their workplace. The hopes for the coming year are, however, not as high as those noted a year ago. The downturn of optimism in private and professional dimensions seems to stem from fears about the consequences of the global financial crisis. The expected economic slowdown was primarily reflected in expectations about the situation in Poland and in the world. A year ago, 62% were optimistic about 2008 for Poland, whereas now only 34% are optimistic. In spite of this drop, optimism prevails over pessimism when it

comes to forecasts for the year 2009 for the country and the world.

More information about this topic can be found in CBOS report in *Polish Evaluations of 2008 and Predictions for the Year 2009*, Dec. 2008. Fieldwork: Dec. 2008, N=1011. The random address sample is representative for adult population of Poland.

ATTITUDE TO OTHER NATIONS

For the Polish people, the best-liked nations are Italians, Czechs, the Spanish, Slovaks, and the English, who are liked by the majority of respondents. Almost half like the French, Hungarians, the Irish, Americans, Norwegians, the Dutch, Greeks, Swedes and the Danish. Austrians, Belgians, Japanese and Lithuanians are slightly less liked. Negative attitude prevails in the attitude to Arabs, the Roma, Romanians, Russians and Turks.



Attitudes to other nations, expressed in declared positive or negative feelings, only partly stem from personal observation and experience of contacts with representatives of these nations. Usually they come from

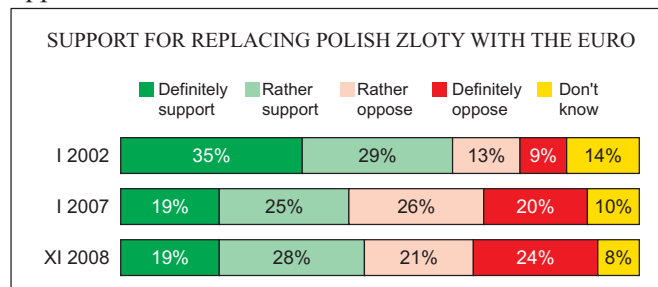
knowledge stored in stereotypes grounded in collective consciousness. The attitude to a given nation is primarily determined by two general stereotypes: of the developed, rich West, and poor East, which is characterized by civilizational backwardness. The "West" is a positive reference group: Polish people like nations belonging this group, want to be like them and would like to belong to this group. The reverse is true about the "East", which is a negative point of reference: Poles want to differ, they do not want to be included among them. They express distance to the nations classified in this category, and they express negative attitudes.

This mechanism is not the only factor determining attitudes to other nations. In some cases, historical legacies, experience of relations with a given nation recorded in collective memory may play a decisive role. The ambivalent attitude to Germans is an example of this phenomenon.

More information about this topic can be found in CBOS report in *Polish Attitude to Other Nations*, Dec. 2008. Fieldwork: Dec. 2008, N=1011. The random address sample is representative for adult population of Poland.

OPINIONS ABOUT THE INTRODUCTION OF THE EURO

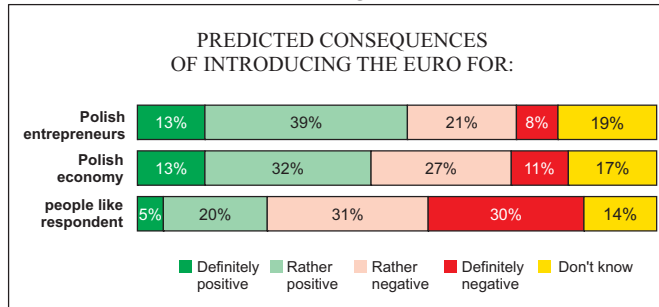
Before Poland entered the EU, but immediately after the euro was introduced in most countries which formed the European Union at that time, almost two-thirds (64%) of the Polish people agreed to have Polish zloty replaced by the common European currency. After the accession, the support for the introduction of the euro in Poland markedly weakened. Since Jan. 2007, the opinions about the introduction of the euro in Poland changed little. In Jan. 2007, 44% of adult Poles supported replacing zloty with the euro, and 46% opposed it. At present, in spite of a slight increase in support for entering the Eurozone, the public opinion remains almost evenly split: 47% of respondents support this project, while 45% oppose it.



Men (54%) support introducing the euro more often than women (40%). The groups with relatively high

rates of support are: young people aged 18-24 (57%), inhabitants of the biggest cities (60%), respondents with higher education (74%), and those relatively well-off, with monthly per capita income above 1500 zloty (67%).

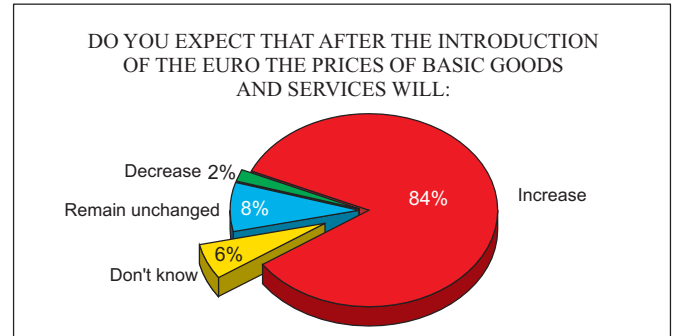
Economists differ in opinion about the costs and benefits of rapid accession to the euro area, and in predictions of economic effects of this decision. Most of them share the opinion that introducing the euro will be beneficial for Poland, in spite of certain costs, and believe that it will facilitate economic growth.



In the public opinion, introduction of the euro will have both positive and negative consequences. The society is divided in the opinions about the economic consequences of this decision: more people believe that the euro will be beneficial for the Polish economy (45%) than detrimental (38%). The predicted consequences for the Polish entrepreneurs are better: 52% believe they will benefit from the introduction of the euro, while 29% express the opposite opinion. The predicted consequences for the whole of the Polish society are the

worst. Most respondents are afraid that people like them will lose as a result of the euro replacing zloty. A quarter of respondents expect positive consequences.

The opinion that entering the Eurozone will have negative consequences for the majority of the Polish society is probably due to the belief that prices of most goods and services will rise after the common European currency is introduced.



The conviction that the introduction of the euro will result in price increases is rarely questioned, and it prevails in all socio-demographic groups under analysis. The supporters of the introduction of the common currency, who stress the positive aspects of this decision, overwhelmingly (80%) expect price increases after Poland enters the Eurozone.

More information about this topic can be found in CBOS report in Polish *Opinions about the Introduction of the Euro*, Dec. 2008. Fieldwork: Nov. 2008, N=1050. The random address sample is representative for adult population of Poland.

In addition to the reports referred to above, the following have been published recently (in Polish):

- ◆ The working poor
- ◆ Political party preferences in December
- ◆ Social moods in December
- ◆ Opinions about the work of the President, the Parliament and the National Bank of Poland
- ◆ The attitude to the government in December
- ◆ Polish Christmas Eve A.D. 2008
- ◆ Opinions about the anti-missile shield in Poland
- ◆ Trust in politicians in December
- ◆ Psychological wellbeing of the Poles in the years 1988-2008
- ◆ Observing human rights in the world

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