

THE ROLE OF THE CONTEMPORARY HIGHER EDUCATION IN THE IMPLEMENTATION OF THE EURO IN POLAND

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ABSTRACT

It must be accepted that Poland has used 25 years of political and economic freedom to generate the development of country in many areas. The passage of years has confirmed the stability of Polish and our credibility for investors, which is one of the most important determinants of development. Currently, after the election campaign for the European Parliament, it can be observed, that in Poland, despite the noticeable economic growth, rising the living standards and a numbers of similar circumstances, Polish society falls into irrational contestation, negation and they change the current achievements into the populist and dangerous socio-economic figures. Poland in its stability is a young country and it needs to maintain the exchange course toward stabilization. It is essential, urgent and economically safe for Poland to access to the euro zone. The political factor supporting this idea is exhausted and sometimes in crises. Therefore, it is necessary to give the support to activities that promote the entry into the euro zone. That kind of support should be given by the institution of higher education – colleges and universities with of economic, financial or political profiles, A good example of such activities in that field are action undertaken by the Alcide De Gasperi University of Euroregional Economy in Józefów.

KEYWORDS:

the euro zone, economic security, the idea of higher education, the European Union, wise citizenship

INTRODUCTION

Poland with many positive results, after 25 years of transition and 10 years of membership in the EU, now is a situation of the internal

decision-making stalemate when it comes to joining the euro zone. Recalling the provisions and regulation of the Maastricht Treaty and then the Lisbon Treaty, it must be recalled that Poland is obliged to enter into the Economic and Monetary Union.

The political party – Civic Platform (PO), in coalition with Polish Peasants' Party (PSL) is currently governing in Poland for second term. Based on the facts, there is a need to emphasize a number of positive changes and developments in the field of public finance and other sectors of the economy. There have been notable changes in the sizes of investments done both by the public and private sector. It is particularly difficult and yet very crucial to finally prepare Poland to join the euro zone in the term of finance and economy. However, the process of social and political preparation is also extremely difficult.

This analysis will cover some part of the legal and financial issue but above all we will appeal to the idea of higher education, the its role and possibilities of giving the real support in this process by colleges and universities. (Illeris 2006, pp. 24–32).

It is noticeable in Poland the tiredness of the current ruling coalition. Also, a large-scale social phenomena focused on total negation and postulating a change of revolutionary character is rising up. In the history of humanity, the revolutionary changes are questionable assessment and we have to agree with it. There is a need in Poland to not make revolutionary changes but to practice the policy of “small steps” in one chosen direction. The social context for it is becoming more and more unfavorable. In the political game, the compensated fight between PIS and PO can be observe, in which the first of them definitely says “No” for the euro zone and the second party (PO), because of the loss of public support, begins to put the change in time. In both election variants it means stopping the civilization development of Poland and the stagnation of our country.

The political scientists plotting their own scenarios, public people are given speeches with the original thesis, but there is no real solution for this problem. In this kind of “stalemate”, it is a need to go back to the positive work. The issues of the euro zone are not suitable for considerations specific to the nature of political discourse festival. Society manipulated in part and in part not having the knowledge is a very unpredictable electoral voice. Therefore, there is a demand for a permanent commitment of colleges and universities in the discussion and in the transfer of technical knowledge to broad masses of students who along with their families can

make real electoral changes and give a signal of support for the introduction of the euro zone in Poland.

THE SCHOOL FUNCTION IN THE PAST AND NOW

From the earliest times, the expectations towards school and education were always large. Mistakenly, in these expectations, the importance and role of the family from which the children come is omitted. A little citizen is staring learning in schools but still is getting the basic profiling in the family home. A consistent point of view can be found among theorists that higher education in particular should primarily lead graduate to the development of ability of independent and comprehensive thinking in many areas.

It is natural that the foundations of science have been given by ancient states. Educational systems and methods were modified during passing years (see: Kot, 1996, pp. 46–97).

Starting from Sparta, it can be observed that the historical background prejudice the purposes of education. The specific needs of the country in specific military threats caused that the education system puts the emphasis on fundamental physical education for military purposes, where the aspect of the development of the minds had less importance in the universal scale. Naturally, the education was in the hands of the state and the state, by its own priorities, could rapidly deploy these needs into the education system.

A significant change can be seen in the difference in the education system in Athens. Athens State in geopolitics had not such threats as Sparta, so they developed a citizen model with the emphasis on peace and internal development of human being. Finally, the Democratic Republic of Athens (fifth century BC) emphasized that education focused on the comprehensive and harmonious development of the child with regard to its individuality and aspirations. The assumption was made the Athenian school system had been educated in three areas:

1. intellectual,
2. moral and,
3. physical.

Another important period in the development of higher education which depends on the historical background was Ancient Rome. It is assumed that after the bloom of the Roman Empire, it means, after the conquest of the Hellenistic East (Egypt, Macedonia, etc) there has been

expansive growth and change in education. There has been widespread of mathematics, technology, astronomy, the development of agrarian knowledge and the beginning of general trend in education. The attention should be paid to the details of the mentioned era. Namely, the specialized Roman legions, the exclusion of other lands with respect to cultural otherness, etc. necessitated greater knowledge and tolerance. It was necessary to increase the scope of education for an effective policy of conquest and for providing administrative stability with the respect to the difference of conquered lands and people. It is worthy to point out that physical education so important during Sparta time, in Ancient Rome lost its importance and the education of the citizen with strong mind was being promoted.

This brief review of three periods, Sparta, Athens and Rome, with their own dependences, shows that the state heavily used the determined by itself strategy to form and create the education program and objectives. It is natural that the determinants of the country security had big influence on the education system. Many agreed that it should be done also currently.

Evidently, in the twenty-first century and in the globalization era and the time of state and private education, the new conditions are created. Although, the common denominators of the characteristics of universal values should remain stable. First of all, the values that regardless of political and religious factors constitute the safety of the modern state. Of course, the limitation must be made that the political system of the state is consistent with the axiology defined by society.

The issue of the introduction of the euro in Poland is very complex as it was already mentioned. In addition, the matter is even more complicated due to the fact that in the case of changing the currency, the changes in the Constitution of 1997 must be made. In Polish conditions, this means having a qualified majority in parliament, which it has not happened since 1997. Simply put, it is not currently possible from the political point of view. On the one hand, the largest opposition party, clearly aiming to take power, announce that joining the euro area means the loss of Polish sovereignty attribute. At the same time the opposite side of the political scene is defined voice "that the entry into the euro zone will more strengthen Poland than missile shield".

The problem of entering into the euro zone is extremely important for the safety of current and future Poland and in the context of political realities we have to reflect on the importance of higher education in the substantive preparation of citizens for the changeover. It would be a change

which actually stems from the historical background and geo-political conditions in which Poland exists. Current higher education in Poland has a large variety in terms of founding bodies, directions and strategies for education. It is worth paying attention to education in full-time, distance learning, the Universities of the Third Age for the elderly, etc.

The lifelong learning plays an important role. There is a report from the Conference “Lifelong education and higher education in the twenty-first century” (Frąckowiak, 2004, p. 263). This report brought a very realistic assessment and crucial conclusions. According to them, there is a need to for changes in the higher education institution so that they could become institutions of learning throughout entire life. These changes relate primarily to:

- more flexible approach to the admissions;
- development of distance education;
- training and teaching methods;
- creating a system that will accept experience gained by adults in non-formal education;
- modalities for granting educational loans;
- universities need to be closer to the local community.

There should be remodeling of colleges and universities toward the needs and expectations of people who want to grow and develop. At the same time, the aspect of the separation of education from a practical dimensions, in the sense of connecting the practical and theoretical knowledge, is noticed. In addition, the most of specialization could make, at least at the minimum level, the connection to civil or state matters. The big problem is that they do not do it and that is significant error of the globalization period. The number of people with higher education is very high but the social phenomena, in particular the election attendance shows that the same people are isolated from domestic and civil matters.

A drawback of higher education systems is its traditional model. It means that the system expects from the student to learn a particular field of knowledge, to demonstrate the mastery of this knowledge and the end. The variety of specialization and issues allows the acquisition of formal and non-formal knowledge. However, the opportunity to present own view by the student or verifying the position within the group become neglected by latest methods (test, e-learning). Undoubtedly, there are many benefits flowing from the participation of universities and colleges in educational programs offered by the European Union. Higher education is an important element of the idea of comprehensive education, as

they have the potential to be used for better realization of that idea. Therefore, it is not surprising that we want to see higher education institutions as an important and decisive factor for the direction of the development of the civic education idea.

It is worth to mention that today, we have today such specialization as: economics, finance, accounting, banking, internal security, law, public administration, political science, management, and many others. All these directions are predisposed to give to a student the opportunity to present and verify their views on the public interest matter.

We can give here an example of 24 year old person studying national security. This student has some failure and problem in labor market and he postulates the comeback to the nationalization of workplaces in Poland. This is a young person who is left with his real problems and when listening to the opposition leader's promises, in his helplessness, he is able to support something even irrational but what can give him hope. In the context of national security study, there are lot of thematic panels allow discussion on this issue. Such discussions are necessary from the national security point of view. The adoption of this concept on a mass scale by the opposition party will change country's political system and going back to the central economy, one-party system and also the return of all associated economic distortions. Such situation must change the status of the internal security of the country.

Finally, it can be concluded that the school has an incomparable range of qualities, allowing involvement in the implementation of the euro in Poland. Namely, school from the beginning of the education system to the higher education is characterized by:

- reaching out to a broad age range (from a small child to the very mature person very)
- enjoying the public trust,
- enjoying the political neutrality,
- through educational cycles, it has the ability to conduct deepened block about the euro currency.

CONTEMPORARY COLLEGE IS OBLIGED ENTER INTO THE PROCESS OF IMPLEMENTATION OF THE EURO IN POLAND

Current historical background situates Poland as a member of the NATO and the EU member located on the eastern border of the European Union. This is a very important and significant in the consequences

fact. At the same time, the truth is that the European Union is one of the most important economic areas of the world from the generated GDP and external trade volume point of view. Poland, along with its geographical location has no other real strong and safe economic community in neighborhood. In a sense, the conclusion is entitled that Poland must cooperate closely with the European Union and every concept of isolation of Poland, even under the pretext of concern for the misunderstood “independence” is contrary to the Polish national interest when it comes to contemporary Polish position.

Referring to the function of education and its missions undertaken in ancient times, today the claim should be to formulate that the current higher education in Poland is distanced from binding to its mission of civic education. Of course, the origin of this negative phenomenon is easy to diagnose. Poland is a relatively young democracy therefore the number of institutions also universities, sensing people’s anticipation are distancing themselves from political and party themes. Unfortunately, this is a dangerous confusion of concepts. This will cause the weakening of social attitudes and consequently the weakening of the national security in favor of overcoming extreme populist or national groups. Extremely important from the point of view of economic security is the issue of Polish accession to the euro zone (see: Sitek, 2008, pp. 203–215).

The value of the currency and economic condition of the area, which this currency represents is dependent on the legal and economic conditions. According to stable and reliable sources, it must be noted that the euro currency is stronger than the Polish zloty. Over the past 20 years, the increasingly stronger link between financial markets in the world could be observed, it was also true in the European Union. The result is this tendency is the globalization of financial markets (banking system, insurance system, the securities). In practice, this means the participation of cross-border actors in effecting the transaction. Naturally, this eliminates the occurrence of foreign exchange risks, accelerating the trade of goods and services, but also carries some risks (International Monetary Fund, 2002).

You have to agree with the view that the Polish accession to the euro area is a strategic issue and certainly consistent with the Polish *raison d'état*. Leaving aside the discussion of concerns and benefits or risks, it is necessary to adopt the view that Poland has no alternative (Stępniaak, 2002, p. 59). A country wishing to join the euro zone must meet the convergence criteria (the Maastricht criteria). Stability of the monetary union guarantees the receiving countries will meet stringent requirements that

are difficult to push in national politics due to the need for strict fiscal policy. Poland and each country joining the monetary union must achieve a considerable degree of convergence, which applies to both nominal values (for example: inflation), as well as some real values (synchronization of business cycles). In order to ensure stability within the euro zone, a list of the convergence criteria was created that determine whether a country is prepared to adopt the common currency. There are four economic conditions:

1. The price stability criterion – inflation is not higher than 1.5 percentage points above the average level of inflation in the three countries with the lowest average,
2. The fiscal criterion – the budget deficit no greater than 3% of GDP and public debt not exceeding 60% of GDP,
3. The interest rate criterion – long-term interest rate not higher than 2 percentage points above the average level of interest rates in the three EU countries with the lowest inflation,
4. The exchange rate criterion – a stable exchange rate not extending beyond level fluctuations (+ / – 15%) to a fixed exchange rate to the euro in ERM II for two years.

The convergence criteria are set out in art. 140 of Treaty on the Functioning of the European Union and specified in the Protocol no 13 annexed to the Treaties. In accordance with art. 140 of mentioned Treaty on the Functioning of the European Union, the Commission and the European Central Bank are obliged to publish reports on the progress made by Member States on the path to membership in the Economic and Monetary Union. The fulfillment of the convergence criteria is included in the report as achievement of high degree of sustainable convergence, which is the basis for the start of the abrogation of the derogation. Abrogation of the derogation is associated with the obtaining of formal membership in the Economic and Monetary Union. The decision to abrogate a derogation is made by the Council at the request of the Commission, based on the recommendation of the members of the Council representing the countries of euro zone (Official Journal of the European Union, 2012/C 326/01 from 26.10.2012 – article 140).

In Poland, the achieving the above four economic conditions generally took already place in 2007. Currently, in 2014 Poland achieved similar results and it is not a big problem now. The biggest problem is the lack of social approval resulting from ignorance, defiance or as a result of actions taken by the opposition parties proclaiming populism. Moreover, there is

already mentioned problem of having changes in the Constitution of 1997 and from the political point of view it is impossible now. Finally, from the perspective of 10 years of Polish presence in the European Union and current political realities in the country, it should be assumed that this strategic for Poland step will be made in the long term which affects Poland be pushed to the economic “second speed” in the European Union.

What is extremely important for this argument, the economic crisis of recent years, which has affected the global economy, also negatively affect the economic situation and macroeconomic indicators in the European Union. Consequently, the European Union, with a very strong commitment to the euro zone countries, began diagnosis, preparation and implementation of mechanisms to strengthen the euro zone. The essential mechanisms, which will be broadly talked below, are designed to deepen economic and monetary union in relation to the countries belonging to the euro area. Hence, there is the thesis about “two-speeds”, that are the European Union Member States that are in the euro zone and outside the euro area. These mechanisms are designed to improve confidence in the effectiveness of European and national policies, to perform key public functions, such as the stabilization of economies and banking systems, as well as to ensure a high level of economic growth and social welfare.

The idea of a banking union aims to strengthen the protection of the euro zone countries against external economic shocks, ensure the European model of consistency and maintain the European Union’s influence on a global level. Generally, banking union which is scheduled to start its operation from 2015, is treated as the creation of an integrated financial framework.

The concept of the banking union is based on three pillars.

The first pillar is aimed at harmonizing legal rules to protect deposits up to EUR 100 thousand euro. This is not the revolutionary features due to applicability of this regimen in most countries, including Poland. This requirement is to be introduced in all the European Union countries.

The second pillar involves the strengthening of the position and power of the European Central Bank. Expected changes cause the control of the ECB under biggest banks. The European Central Bank control does not cover the entire banking system and entire financial services sector. In the case of Poland, a large part of the financial services has been taken by the Credit Unions. This resulted large number of cautions and warnings coming from the institutions responsible for the security of financial trading. The Credit Unions in Poland remained outside the banking supervision,

which created a significant risk to depositors, especially in the context of increasing amounts deposited in the accounts of credit unions (Biekieszczyk, 2011, p.13). After a political discussions, Poland managed to make changes to the Act of 5 November 2009 on the Credit Unions, introducing partial supervision of the Financial Supervisory Commission on Credit Unions (Dz. U. z 2012 r. poz. 855 and 1166 with amendments). In the context of mentioned supervision of the ECB, it is clear that it will not be applicable to the Credit. A similar situation is in Germany. Very popular saving banks operated in federal states, whose balance sheet total does not exceed EUR 30 billion, will not be covered with the supervision of the ECB. In Poland, most of the banks are operating as a part of huge European institutions, which will be under the control of the ECB, because they are established in the country of the euro area. Among the banks with dominant Polish capital, large enough to fulfill banking union criteria is only PKO BP.

The last – third pillar concerns the prudential mechanism of the bankruptcy and liquidation of the bank risk. Currently each country according to its own banking law (national) has its own regulations in this regard. At the design stage of legal principles to this pillar, it was postulated that the European Commission should have competence in this area. Finally, the point of view that the Minister of Finance, as the fiscal policy makers must have the right to co-decision won. The third pillar involves the creation of a special fund of bank deposits. Fund capital increase gradually up to the value of 55 million euros.

Returning to the issue of Polish accession to the euro zone, it should be noted that extending the period of accession to the monetary union, Poland condemned to remain in the second speed with a clear increasing distance to the countries in the euro area. While there is implementation of the banking union, Poland remains as a country called “state of close cooperation” and consequently, new and extremely important anti-crisis solutions will not be fully implemented in our country (M. Moschella 2011, p 106; Buckley and Howarth, 2011 pp 123-143). Practically, it is uncountable but the lack of full commitment of Poland into banking union is connected with the reduction of economic security.

It can be safely argued that all public and private colleges and universities are the last real area which may affect or change social knowledge and social disapproval about joining by Poland the euro zone.

Previous actions of political parties, the leadership team, churches or other organized social groups were not able to really achieve anything in

the field of Polish citizen awareness in this matter. It may be mentioned that in a referendum of 2003 regarding Polish accession to the European Union, the attendance slightly exceeded 50 percent required for its validity. Absolutely, it is certain that the current state of knowledge and citizenship attitude, in the case of a referendum regarding introduction the euro currency in Poland, would lead to a negative result.

CONCLUSION

The colleges and universities have a social trust, they are apolitical and they can use a wide range of substantive and thematic instruments. Starting with the substantive lectures there is a need to open the discussions around these issues. Then, questions and concerns should be answered and explained and this shall lead into the situation in which the citizen-student could ask the question bothering him or her and discuss about own the arguments. The reality of such discussion, initiated by various professors and conducting over the years of study, must bring the growth of attitudes oriented on the interest and acceptance for transparent economic structure.

An important form is the “public opened lectures” where universities invites experts from the different field. Depending on the predisposition of the speaker, a very extensive exchange of views may take place during which the knowledge about the euro currency and the euro zone can be consolidated. Another important form of higher education institutions’ activity is organized conferences. This is an even roomier substantive tool. The experts and specialist representing different countries could participated in such conferences. It makes the opportunity for exchange of views between professors-citizen coming from various legal system. In addition, the conferences have the advantage that, due to the large publicity, have the highest audience of listeners, which directly translates into the effectiveness of the discussed legal and financial institution.

The international exchange between universities also provides the chance for this topic. Within the European Union and not only in Poland, there is growing number of students enrolled on international exchanges through various forms of cooperation between universities. This exchange is often organized with the help of the European Union funds. This is an opportunity to exchange ideas, expand their knowledge and experience, also about the living standards of citizens in different countries – in the euro zone and outside of it.

Another undefined tool possible to make use in the context of the functioning of the university is a natural contact with an academic teacher. It is obvious that students who are inspired by a lecture, are also asking the further questions during the break and they have expectation for customized dialogue. This is a special opportunity for predisposed citizen – academic teacher to share his or her insights and views with student who is building own civic attitudes.

All of those matters need to be consider in the context of student-citizen's increasing distrust to the media, political parties, social groups, and thus the mission of higher education in this regard is very necessary.

A very good example of the higher education institution using all of the above mentioned ways and tools of spreading knowledge and leading discussion is the Alcide De Gasperi University of Euroregional Economy in Józefów. In this school during the specialization of public safety, administration, law, environmental protection and other subjects regulated under the national education framework, it is naturally possible to propose and discuss the banking union issues and to dispel public doubts about the euro currency or about the implementation of prudential supervision in the European Union. It can be state from the experience of an academic teacher and practicing lawyer that there is interest of students in those topics. And it should be emphasized that the question of joining the euro zone is a common problem and on every citizen.

To conclude, the demand should be placed that academic staff from such specialization as economics, finance, accounting, banking, homeland security, law, public administration, political science, management were more open-minded, committed involved to priority issues of the current decade in Poland.

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