

Private Initiative Encouraged

In addition to the tax reduction granted to small private traders three months ago (cf. Sit. Rep. April 9) further concessions have been announced. The Ministry of Internal Trade has introduced a system of 10 year licensing for private commercial firms. At the same time it has instructed the national councils to encourage and develop private restaurants and cafes in holiday resorts. It is also encouraging the licensing of, inter alia, traders in furniture, precision and optical instruments and all sorts of servicing establishments. (cf. Radio Warsaw, July 9).

This is for the first time that the regime is granting such long term licenses. The great problem up to now has been that private traders<sup>and</sup> artisans have had no confidence in the regime's intentions toward them. Whether the ten-year licenses will be able to overcome this lack of confidence remains to be seen. (A paper on private initiative throughout the target area is being prepared).

Economic Scandals

"Two more high officials in the Warsaw city food distributing network have been arrested following the discovery of the meat fraud", reported Reuter (on JULY 8) quoting the Peasants Party daily "Dziennik Ludowy".

Thus, slowly, some concrete information about the meat affair is emerging. This is the subject on which both Gomulka and Warsaw City Party Secretary, Walenty Titkow, spoke vaguely a month ago (cf. Sit. Rep. June 8), and to which equally vague references were also made at the Party Congress.

Although Reuter speaks of "two more" arrests and although an unspecified number of arrests were also mentioned earlier, this is the first time that names have been mentioned. They are none too impressive as far as standing is concerned. One is Zygmunt Wozniak, head of the trade department of the Warsaw City Council; the other is Tadeusz Skowronski, director of the Warsaw association of food enterprises. Reuter also quoted "Dziennik Ludowy" as saying that a high official (unnamed) of the Warsaw District Party Committee had also been arrested and that a large number of other arrests had been made.

9 JULY 1964

An article in "Zycie Gospodarcze" of July 5, by the Warsaw Chief Prosecutor, referred to "perfectly organized gangs of racketeers" behind the meat scandal. It gives some details, though no names, of another affair - that of smuggling some 600,000 American Dollars out of the country and bringing a quantity of gold (it seems exclusively in the form of gold coins - mostly gold American Dollars) into the country.

Invitation to Wyszynski to Bombay

Cardinal Wyszynski has received an invitation to the Eucharistic Congress to be held in Bombay in November, reported Reuter of July 3. It is not yet known whether the Cardinal will accept and no official statement is expected before August.