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● Poland
9 February 1967

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Economic Results in 1966

The Central Statistical Office's communique on Poland's economic progress during the year 1966 was summarized in a PAP report of February 7.

According to the report, the production of the socialized industry increased in 1966 by 7.4 per cent; and the national income, by 6 per cent (all figures compared with the 1965 results). The overall production plan in the socialized sector was fulfilled by 101.5 per cent. Production of hard coal amounted to 122 million tons; of steel, over 9.8 million tons.

Overall agricultural production went up by 5.5 per cent. The crops of four cereals were estimated at 19 quintals per hectare, and considerable increases were reported in crops per hectare of potatoes (10 per cent) and sugar beet (20 per cent). There were increases in animal population: 4.4 per cent for cattle; 3.4 per cent for pigs.

Investment outlays in the socialized economy increased by 7.6 per cent over 1965. In the socialized building industry, in towns, 121 thousand apartments were handed over for use, primary and secondary schools were expanded by 6,800 new classrooms; hospitals and clinics, by 2,400 new beds.

As for domestic trade, retail sales increased by 6.7 per cent, whereby an improvement was noted in the supplies of meat and meat products.

In foreign trade, the turnover rose by 4.3 per cent (in exports by 2 per cent and in imports by 6.6 per cent). Changes occurred in the structure of trade, with considerable increases of

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machines and installations both on the export and the import side. In 1966 Poland traded with 152 countries.

According to preliminary estimates, the national income increased by 6 per cent, though the plan provided only for a 3.7 per cent increase. The part of the national income designed for consumption rose by about 6.5 per cent, against the planned 4.7 per cent increase.

Poland's population at the end of 1966 numbered 31.8 million, whereby the urban population equalled the rural population. The rate of natural population increase dropped from 10 per thousand to 9.4 per thousand, as a result of a further drop in the birth rate.

The number of people employed in the socialized economy exceeded 8,582,000, an increase of 3.5 per cent. The average gross monthly wage increased by over 4 per cent, and amounted to 2,080 zloty, while the average real wage increased by about 3 per cent.

The expenditures from the state budget for education, science, and culture increased by almost 13 per cent, and on health protection, social welfare, and physical culture, by 11 per cent. The number of doctors increased by 2,200 (to almost 42,000), and of hospital beds, by 5,300 (to nearly 160,000).

The circulation of newspapers and periodicals increased by over 6 per cent. The number of radio license holders was 5,652,000, and of TV license holders, 2,507,000 (a 21 per cent growth).

A detailed critical analysis of the economic results of 1966 will be made when the full text of the Statistical Office's communique is available. At this time, only a provisional comment is possible. The most striking feature is the discrepancy between planned and achieved results in foreign trade. While, according to plans for 1966, exports were to increase by 5.4 per cent and imports by only 5.2 per cent, exports rose actually by only 2 per cent and imports by as much as 6.6 per cent. Moreover, while the communique speaks about the favorably changing structure of foreign trade and the increased share of machines and equipment in foreign trade turnover, it fails to elaborate on the subject. According to Zycie Gospodarcze (February 5), import of machines and equipment from capitalist countries was 13 per cent higher than planned and increased by 45 per cent over the 1965 imports. At the same time exports of Polish machines and equipment to the capitalist countries achieved only 80 per cent of the planned target. This can be considered a heavy blow to the ambitious Polish plans of making home-produced machines and equipment a hard currency earner in trade exchanges with the West.

Speaking about agricultural production and crops per hectare, the report includes percentual increases for crops of potatoes and sugar beets. The crops of four cereals are given as 19 quintals per hectare, the percentual change from the previous year being omitted. As a matter of fact, the respective figure for 1965 was (according to the Statistical Yearbook, 1966) higher, namely 19.1. True, 1965 was an exceptionally favorable year and this in a way explains the decrease. Nevertheless the fact of any decrease is not mentioned.

Polish-Pakistani Trade Protocol

Poland and Pakistan signed on February 8 in Warsaw a trade protocol on exchange of goods in the current year. In its broadcast of the same day, Radio Warsaw said that Poland will export to Pakistan machines, pharmaceutical products, chemicals, some industrial products, and coal in exchange for Pakistani jute, cotton, minerals, and some industrial products, among them textiles.

Pakistan is rated one of the more important Polish trade partners among the developing countries, but the volume of Polish-Pakistani trade represents a mere fraction of Polish foreign trade.

Meeting of Warsaw Pact Foreign Ministers

According to UPI, a spokesman of the Polish Foreign Ministry announced on February 9 that a meeting of the foreign ministers of the Warsaw Pact had begun in Warsaw.

Vincent Buist, Reuter's correspondent in Warsaw, in a dispatch sent in the morning of February 9, also reported that the meeting had begun. Buist, as well as several other sources, quoted a Polish TV broadcast of February 8, a weekly international news program entitled "Swiatowid," which referred briefly to the meeting as having already begun, without giving further details.

The official confirmation of the meeting, as reported by UPI, followed countless reports of Western news agencies and correspondents on the meeting, first scheduled for East Berlin. The meeting remains shrouded in secrecy; the only facts which emerge seem to be the actual start of the conference and the names of three participants: Andrei Gromyko for the USSR, Janos Peter for Hungary, and Deputy Foreign Minister Mirca Malica for Rumania. It may be presumed that Adam Rapacki is acting for Poland and that, with the exception of Albania, all the countries of the Warsaw Pact are participating in the conference.

Beitz to Warsaw?

There were also reports of a possible visit to Warsaw by Bertold Beitz, general manager of the Krupp concern, who has had talks with the Polish leaders on several occasions in the past, on political as well as purely industrial and trade problems. Reporting from Warsaw on February 7 for Le Monde (February 8), Bernard Margeuritte said that Beitz had been in Warsaw for four days having long talks with "les dirigeants polonais," notably with Premier Jozef Cyrankiewicz.

This report was promptly denied by "a spokesman of the Krupp concern" on February 8; an RFE Special from Bonn quoted the spokesman as saying that "Herr Beitz is sitting at his desk right here in Essen at this moment."

The denial was followed by another report from Margueritte (Le Monde, predated February 9) that Beitz was about to come to Poland on February 5, but his trip was postponed at the last moment and he was due to arrive in Warsaw on February 9.

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Gomulka's Speech in Katowice

"The establishment of diplomatic relations between the German Federal Republic and the socialist countries will not in the smallest degree contribute to the improvement of the climate in Europe if the West German government does not radically revise its position on the basic questions which concern the vital interests of the socialist countries," First Party Secretary Wladyslaw Gomulka said on February 8.

He was speaking in Katowice, where he attended a reporting-and-election conference of the voivodship's Party organization, at a time when, in Warsaw, a conference of representatives of seven members of the Warsaw Pact had begun.

Diplomatic relations between the GFR and the Soviet Union "have failed to improve both relations between these countries and the question of security in Europe," Gomulka maintained.

What sort of "radical revision" of West German policy did Gomulka expect? He summed up the points in the form of questions:

"Did the Bonn government renounce territorial claims vis-a-vis the socialist countries, did it recognize the inviolability of the European frontiers, including the Polish frontier in the West, the frontier on the Oder and Neisse Rivers?"

"Did it, in accordance with the existing factual and legal reality, acknowledge the existence of the GDR and adopt an attitude of friendly cooperation of the two German states?"

"Did it renounce the claim to represent all of Germany, did it drop the threats and pressures on other states which recognize the fact of the existence of the two German states and which would like to establish diplomatic relations with the GDR as well?"

"Did it finally give up the intentions of previous Bonn governments to obtain access to and control of nuclear weapons?"

To all these questions, Gomulka replied: "NO, NO and once again NO!"

In his recorded speech, carried by Radio Warsaw on February 8, Gomulka also declared that the new Bonn policy was aiming at the isolation of the GDR, at "tearing it away from the states of the Warsaw Pact, and at creating better conditions systematically to lead a long-range policy directed toward the absorption of this socialist state by the GFR."

Gomulka thus restated the Polish regime's support for the GDR vis-a-vis West Germany and its "all or nothing" attitude towards the resumption of diplomatic relations with West Germany. He mentioned the revival of diplomatic relations between Rumania and West Germany, but did not polemicize with Rumania.

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However, his remarks cited above and his definition of the essence of the Hallstein doctrine as the claim to represent all the German people (which, in his view, had not changed) amounted to a clear rejection of the Rumanian claim (Scanteia, February 6) that its resumption of diplomatic ties with Bonn without prior conditions "serves the cause of peace and international security."

Gomulka also devoted a long passage to what he called "US aggression in Vietnam," an aggression which "has found recognition and full support only on the part of the West German government." "Every case of aggression is based on hopes for victory and confidence in one's superiority. Hitler was guided by these criteria when he started World War II. We also know how false Hitler's hopes were; and how the aggression of Hitlerite Germany ended. American aggressors also overestimated their capabilities when they undertook the war in Vietnam," Gomulka said.

Polish Protest to China

The Polish Foreign Ministry officially protested to China against acts insulting Ambassador Witold Rodzinski and Polish diplomats who accompanied him. The insults occurred in Peking on February 5 when Rodzinski, with other diplomats, was saying farewell to the families of Soviet diplomats.

The note of protest was handed the Chinese ambassador in Warsaw on February 6. On the same day a group of about 200 persons gathered outside the Chinese embassy in Warsaw to protest the treatment of the Polish ambassador in Peking. Apart from blacking out a Chinese display of photographs, no incidents occurred. UPI reported that the crowd was "orderly."

Katowice Party Conference

The Katowice voivodship Party organization held its reporting-and-electoral conference on February 7 and 8. It was one of a series of periodical conferences, following those of lower Party organizations (cf. SR October 10).

Voivodship conferences began in December; so far the following were held: Poznan (December 21-22), Gdansk (January 20-21), Rzeszow (January 27-28), Bydgoszcz (February 3-4).

The importance of this last conference was stressed by the presence of Wladyslaw Gomulka. The Katowice voivodship Party membership is 260,000 at present, and it was represented by 353 delegates.

A report was read by Politburo member and First Secretary of the Voivodship Party Committee, Edward Gierek, who also opened the discussion. Gierek discussed four basic problems: 1) the tasks in the field of increasing the quality of and modernizing production; 2) detecting production reserves through organizational improvements; 3) improvement of social and living conditions of the population; 4) political and ideological educational work.

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He stressed that quality and "modernity" of production is closely linked with export production which, according to the plan worked out by the Voivodship Committee, should reach in 1970 the value of two and a half billion zloty, an increase by 22 per cent as compared with 1965.

Gierek also stressed the "particular role" of the Katowice voivodship, which he said imposed on Party members a greater "feeling of responsibility" in fulfilling two tasks resulting from the resolutions of the Fourth Party Congress, namely the fulfillment of "production obligations," and -- secondly -- concern that Silesia become effective in the realization of its obligations toward the country.

In this connection, Gierek said, "we see an urgent need of preparing, in this year and under the leadership of the CC, together with the Planning Commission at the Council of Ministers, a balance sheet of manpower, directives for the modernization of the industry of the Katowice voivodship, and also suggestions pertaining to communications, transport, water, and other factors determining the degree of the participation of our voivodship in the development of national economy.

"Without going into details," Gierek stressed, "we are convinced that the share of the industry of the Katowice voivodship in the production of national income should be substantially larger."

The references to the CC and to the Planning Commission as leading bodies are rather unusual. The question arises whether this apparent deference by Gierek to them indicated his acceptance of a less autonomous position for his Silesian "fiefdom", or whether he was only paying lip service to the "CC's" authority in Gomulka's presence. A passage of Gomulka's speech concentrating on the dispersal of production forces in the country may also have contained an "esoteric" reference to Gierek's position.

Summing up Gomulka's speech, Radio Warsaw pointed out that the Party leader, while discussing the importance and the role of the Katowice voivodship, and granting that it supplies one fifth of global national production, pointed to the changes in the structure and the dispersal of industry in connection with the industrialization of other regions of the country. This might have been a way of saying to Gierek: "Don't feel too important, your position will be reduced as other regions become industrialized."