

X/9-P - COMECON PROBLEMS WITH FOREIGN TRADE AS SEEN BY
POLISH EXPERT

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The following is an article in the Polish CP daily by a vice premier and candidate Politburo member who recently also served as chairman of the COMECON Council.

TRYBUNA LUDU December 31/January 1:

Piotr Jaroszewicz: A UNITED EFFORT

In the last five years, the problems of foreign trade have played an important part in the work of Comecon. No wonder if we consider, that the increase of mutual exchange of goods among member nations is of essential importance, not only in ensuring the basic supply of raw materials and machinery and a better supply of consumer goods to the market, but also in ensuring a market for the rapidly increasing industrial production.

Appreciating the importance of this problem, the Executive Committee of the council has made an important decision, essential for the further development of trade relations, namely to correct the stable prices established for a longer period of time and applied in trade exchange, and to bring them closer to current world prices. An equally important part in the development of mutual exchange of goods in recent years, was played by the activities of bilateral committees and commissions working within the Comecon. All in all, as a result of steps undertaken in the last three years, the mutual exchange of goods between Comecon member countries and Yugoslavia has exceeded by 40 per cent, the initial estimates of previously signed five-year trade agreements.

The development of economic ties is particularly obvious in the case of reciprocal deliveries of basic raw materials, deliveries established for the period of the next five-year plan. Compared to the period 1961-65, these deliveries will ensure a better fulfillment of needs in this respect. This is an undeniable economic and political success of the cooperation among Comecon members. After the end of the coming five-year period, the supply of raw materials which will exceed in scope the supplies available in 1970, will naturally require a development of a raw material base. It should be emphasized that Comecon member countries intend to accomplish this development with a united effort as far as necessary and with the participation of those countries which are interested in increasing raw material imports.

The achievement of an ever higher level of economy requires a purposeful differentiation in industry with a greater emphasis than heretofore on international distribution of work. This concerns, in particular the machine industry, the chemical industry, the electronics industry, automation, etc. For the next five to 10 years, these industries will be

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basic problems in Poland and in other Comecon member countries and their importance will continue to grow.

Unfortunately, the part played by specialized products in the turnover of our foreign trade so far, is barely a few per cent. Specialization programs still fail to include many key products from the point of view of national economy. Until now, it has been impossible for us, either within Comecon or bilaterally, to develop specialized and cooperative action in such important sectors as the production of basic means of communication, electric power equipment, basic lathes, equipment for the chemical industry, etc.

An important matter to which I would like to draw attention is the problem of mutual exchange among Comecon members of common consumer goods. We have been developing from year to year Polish exports of industrial consumer goods. In 1964, they constituted about one eighth of our total exports. The value of consumer goods imports from Comecon member countries which in recent years has made up about 80 per cent of the total import of these goods, has risen in the period 1960-64, by over 50 per cent. However, even the current imports of consumer goods fail to satisfy popular demand mainly from the point of view of assortment, but also, to some extent, from the point of view of quality.

The amount of these goods is still not noticeable enough in our trade. We shall make efforts to advance the cooperation of socialist countries in this field so that the results will be visible to the public. This is one of the important tasks in which the peoples of the socialist countries are particularly interested.

The problems of currency and finances belong in the group of problems of special importance for our economy and we are solving them together with Comecon member nations. The already mentioned price change, the creation of the International Comecon Bank, the coverage in gold of 10 per cent of its capital fund -- these are the more important undertakings for this year, characterizing the first stage of cooperation. However, these do not yet constitute conditions which would be a perceptible incentive increasing out interest in the development of international economic relations. In the next stages of cooperation, we shall be faced with the problems of appropriate agreements between member nations rendering possible currency exchange and the coverage of the transfer ruble in gold to such an extent that it would be comparable to other world currencies.

We are convinced that we can take appropriate steps in that direction more successfully together with other Comecon member countries, than all alone. We want to adjust currency and financial relations to the demands which arise from the ever greater participation of Poland and of other socialist countries in world economic development.

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