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N A T O R E S T R I C T E D

ORIGINAL: ENGLISH ONLY

COPY. No 114  
EXEMPLAIRE.

19 FEBRUARY 1980

P. A. Sub - Registry

File No 19-10-01 (Poland) AS ( 80 ) 023

The following assessment was submitted to the NATO Situation Centre by the DDIS. It has been transmitted to Capitals (MFAs and MODs) and MNCs under reference SITCEN 1901

P 191055Z FEB  
FM DDIS  
TO NATO SITCEN  
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NADA/ASSESSMENT

P O L A N D : T H E 8 . P A R T Y C O N G R E S S .

AT THE CONCLUSION OF THE 8. POLISH PARTY CONGRESS THE LEADING BODIES OF THE PARTY WERE ELECTED. OUT OF THIRTEEN MEMBERS OF THE POLITBUREAU (PB) FOUR WERE REPLACED. TWO OF THE KTW MEMBERS WERE FORMER CANDIDATES AND TWO FROM THE SECRETARIAT. THE TWO CANDIDATES PROMOTED WERE IN RETURN REPLACED BY FOUR NEW CANDIDATES, THE MEMBER OF WHICH THUS INCREASED TO A TOTAL OF FIVE. AMONG THE PB MEMBERS OUSTED WAS PIOTR JOROSZEWICS WHO ALSO LOST HIS SEATS AS PRIME MINISTER AND AS A MEMBER OF THE CENTRAL COMMITTEE. HIS FALL WAS NOT QUITE UNEXPECTED. MORE SURPRISING WAS THE FALL OF THE FORMER MINISTER OF FOREIGN AFFAIRS, STEFAN OLSZOWSKI, FROM THE PB AND FROM THE SECRETARIAT AS WELL. IN THE LATER YEARS HE HAS TRIED TO MAINTAIN A CRITICAL ATTITUDE TOWARD GIEREK BUT HARDLY TO AN EXTENT WHICH SHOULD ALTER HIS POSITION SO RADICALLY.

FROM A POLITICAL POINT OF VIEW, THE NEW COMPOSITION OF THE LEADING BODIES OF THE PARTY HAS STRENGTHENED GIEREK'S POSITION. THE MAJORITY OF THE NEWCOMERS IN ALL THE BODIES BELONG EITHER TO THE SO CALLED KATOWICE-GROUP, KATOWICE BEING GIEREK'S POWER BASE TILL DECEMBER 1970, OR TO THE WARSAW-GROUP, THE LATER BASE FOR GIEREK'S STRENGTH.

WITH A STRENGTHENING OF GIEREK'S POSITION HIS FORMER PRAGMATIC LINE CAN BE EXPECTED TO CONTINUE NOT LEAST BECAUSE OF THE MORE ABLE PARTY LEADERSHIP, WHICH EMERGED FROM THE CHANGES. A TOUGHER IDEOLOGICAL LINE CANNOT BE EXCLUDED AFTER THE CONGRESS. ON THE OTHER HAND IT IS ASSUMED THAT THE SUPPOSED MODERATE JERZY LUKASZEWICZ (CC-SECRETARY FOR AGITATION AND PROPAGANDA) IN THE PB CAN BE SEEN AS A COUNTERWEIGHT AGAINST THE KNOWN ORTHODOX ANDRZEJ WERBLAN (CC-SECRETARY) FOR EDUCATION AND SCIENCE). BOTH ARE NOW FULL MEMBERS OF THE PB.

BUT THE MAIN PURPOSE OF THE CHANGES AT THE CONGRESS IS CLEARLY DICTATED BY THE STRAINED INTERNAL SITUATION. THE CAMPAIGN PRIOR TO THE CONGRESS AND SEVERAL SPEECHES AT THE CONGRESS REVEALED A WIDESPREAD DEMAND FOR MORE COMPREHENSIVE CHANGES WITHIN THE POLISH ECONOMY. THE STRUCTURE OF THE NEW

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LEADERSHIP SHOULD PLACE GIEREK IN A BETTER POSITION TO MEET THESE DEMANDS IN THE FUTURE THAN HAS BEEN THE CASE IN THE PAST. UP TO NOW, GIEREK'S ATTEMPTS AT IMPROVING THE ECONOMY HAS BEEN MET WITH LITTLE SUCCESS, PARTLY DUE TO CONDITIONS BEYOND HIS CONTROL (I.E. BAD HARVESTS) AND PARTLY BECAUSE OF OPPOSITION FROM MORE ORTHODOX ELEMENTS WITHIN THE PARTY AND UNQUALIFIED MANAGEMENT WITHIN THE ADMINISTRATION.

AT THE CONGRESS GIEREK IN CONSEQUENCE OF THE PAST ECONOMIC FAILURES SAW NO ALTERNATIVE BUT TO PROMISE THE POLISH POPULATION SOME DIFFICULT YEARS AS EXPRESSED IN THE OUTLINES FOR THE PERIOD 1981-85. THUS REAL WAGES SHALL ONLY INCREASE BY ABOUT 2 PERCENT YEARLY AND HOUSING WILL BE ONLY SLIGHTLY BETTER THAN IN PAST YEARS.

THE LACK OF CAPACITY IN TRADITIONAL BOTTLE NECK SECTORS (TRANSPORTATION AND ENERGY SUPPLY) PUTS NARROW LIMITS TO THE GROWTH IN 1981-85 OF NATIONAL INCOME AND INDUSTRIAL PRODUCTION AS REVEALED BY THE DIRECT DECLINE IN NATIONAL INCOME BY 2 PERCENT IN 1979. FURTHERMORE, POLAND'S FOREIGN DEBTS AMOUNTING TO 17 BILLION DOLLARS WITH YEARLY INTERESTS AND INSTALMENTS RUNNING AT 5 BILLION DOLLARS NECESSITATE A RESTRUCTURING OF THE TRADE BALANCE WHICH AGAIN WILL STRONGLY LIMIT IMPORTS FROM THE WEST OF RAW MATERIALS, SEMIPRODUCTS AND ENERGY.

IN THE SHORT TERM, GIEREK THUS HAS VERY LITTLE ROOM FOR ECONOMIC MANEUVERING. ON THE ONE HAND, IT IS OBVIOUS THAT AGRICULTURE, TRANSPORTATION, ENERGY AND EXPORT MUST RECEIVE HIGH PRIORITY IN ORDER TO OVERCOME THE STAGNATION OF RECENT YEARS. ON THE OTHER HAND, IT IS EQUALLY IMPORTANT THAT A MORE LONG TERMED ECONOMIC POLICY IS BEING FORMULATED.

WITHIN AGRICULTURE THIS IS ALREADY THE CASE. WHAT HAS BEEN LACKING SO FAR IS A FIRM STAND OF THE LEADERSHIP TOWARDS MORE ORTHODOX INCLINED PARTY MEMBERS AND OTHERS TO SEE SUCH A POLICY CARRIED THROUGH.

AS TO THE DEVELOPMENT OF THE INDUSTRY, SHORT TERM IMPROVEMENTS MAY BE ATTAINED THROUGH SOME MEASURE OF FREEDOM FOR EXPORTING ENTERPRISES ALLOWING THEM TO IMPORT THE NECESSARY MACHINERY AND RAW MATERIALS. BUT IN THE LONGER TERM THERE IS A CLEAR NEED FOR MORE COMPREHENSIVE REFORMS AFFECTING IN PARTICULAR THE ECONOMIC MANAGEMENT SYSTEM. IN ORDER TO CARRY OUT SUCH REFORMS TO THEIR VERY LIMITS A FIRM LEADERSHIP NOT YIELDING TO AN ORTHODOX OPPOSITION WILL BE NECESSARY.

THE NEWLY ELECTED LEADERSHIP APPEAR ON THE WHOLE TO ENCOMPASS A BASIC ATTITUDE AND A PROFESSIONAL COMPETENCE WHICH SHOULD ENABLE THE IMPLEMENTATION OF THE NECESSARY LONG TERMED LIBERAL ECONOMIC POLICY.

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