

Wyszynski called for workers to demand immediate wage increases — when during the previous week the government had announced a coordinated schedule of wage, price and rent increases.

Besides the Polish "Committee", the current cause celebre of the campaign is Wolf Biermann, a hippy singer barred from the German Democratic Republic. A new "Committee for the Protection of Freedom and Socialism" was organized Dec. 10 in West Berlin on behalf of Biermann. Its sponsors include lawyers for the NATO-controlled terrorist Baader-Meinhof gang, officials from the West German trade union IG Metal.

In an article prepared for the West German Social Democratic weekly *Vorwaerts* (SPD figure Willy Brandt is a factional associate of Palme in the Second International), a combination of economic leverage and outright subversion was proposed which parallels Kolakowski's idea for Poland: West Germany should seek a special arrangement to build roads and other projects in the GDR, in order to "stabilize" the East German government and create conditions for steady and deliberate bolstering of Biermann-supporters to form a social democratic opposition in the East.

*Winslow Peck:*

### Maoist Infiltration Worries East Germans

*Dec. 16 — Winslow Peck, "ex"-CIA agent from the magazine CounterSpy, reveals the infiltration of West German Maoists into the German Democratic Republic, in an interview which was made available to NSIPS. Peck*

*slanderously states that the European Labor Committee, European fraternal organization of the National Caucus of Labor Committees, (NCLC) has joined the Maoists in calling on NATO to invade Poland in "defense of Polish workers."*

*Q: ... Do you think there is CIA involvement in the dissent in Poland and East Germany?*

*A: "It's possible, from everything we know. There is an internal and an external side of this; the CIA doesn't invent internal contradictions, but tries to widen them. It would be natural for them to try to do that. But it's probably not policy at the highest level, with detente and all..."*

*Q: How serious is the situation in Eastern Europe now?*

*A: I was in Germany in August. The most important thing is that a new Maoist party has been set up in East Germany by the West German Maoists, the KPD-ML. That is what the East Germans are really worried about... The group is involved in recruiting, propaganda — no sabotage as far as I know. The East Germans are very afraid of this — not of Western invasion or anything silly like that. Why when I crossed the border, I had with me a set of Marxist playing cards, with Marxist figures, like Rosa Luxemburg for the Queen, Marx and Lenin for someone else. The King was Mao. They detained me for two hours at the border, because they thought I was a Maoist... The craziest thing I saw was in West Germany, where the splinter Maoist groups were holding demonstrations calling for NATO to invade to protect Polish workers. And the NCLC — their European branch — joined in!...*

## Poles, With Soviet Assistance, Take Protective Measures For Economy

*Dec. 16 (NSIPS) —* The demonstrations in Poland in June of this year stemmed from a real crisis in the Polish economy. U.S. Treasury Secretary William Simon visited Warsaw on June 22 to discuss financing of Polish trade with the U.S. — and the Polish debt. At that time, Poland was expecting a second consecutive crop failure due to drought (this did not occur) and anticipated having to import possibly 4 million metric tons of grain from the U.S. As it turned out, the drought did not occur and Poland imported 3.5 million metric tons.

Meeting immediately after Simon's visit, the Polish Politburo resolved to raise prices on foodstuffs which had been stable since 1970, in order to permit a simultaneous increase in the price paid farmers by the government for milk and meat products. This, in turn, was to stimulate agricultural production both for domestic consumption and export — to raise revenues to pay the debt. The price increases were 70 per cent for meat and 30 per cent for dairy products. They were withdrawn within 24 hours after demonstrations occurred, including rioting in two cities.

The imposition of strictures and inflation of prices in the Polish economy is directly a function of its debt to OECD countries, which was estimated at approximately \$7 billion at the end of 1975. The country then registered nearly a billion dollar trade deficit in the first half of this year. Poland has the highest debt-service to exports ratio of all the Eastern European Comecon countries, approximately 25 per cent.

Attempts to meet these obligations impose curtailments inside Poland which directly create the pre-conditions for destabilization. Poland has counted on its exports to the West for convertible currency income to pay its debts. But as the Western market for Polish hams and other traditional products has contracted in the prolonged downturn, Poland has been forced to campaign to produce "higher quality" competitive industrial goods for export — increasingly at the expense of expanding basic industry and the consuming sector for home consumption, and mechanizing agriculture. Up to 30 plants and other industrial projects slated for the new Five Year Plan are estimated to have been cut. This opens the

door for shortages and the situation is ripe for unrest.

The problem will not be resolved outside of the political arrangements and mechanisms of a new world economic order beginning to function full steam. But the Polish leaders, in collaboration with the Soviet Union, have undertaken a series of protective measures to stabilize the Polish economy in the short term. The very most important industrial construction projects are going ahead on schedule; Soviet Prime Minister Kosygin was in Poland this week to help open the 4.5 million metric tons per annum Katowice steel works, built with Soviet assistance.

In mid-November, the Polish Party leader Edward Gierek led a delegation to Moscow to hammer out further measures. Most speculation by published Western obser-

vers was over whether the Soviets would directly aid Poland in paying off its debt. Instead, the Soviets granted Poland a billion ruble credit to finance imports of consumer goods from the Soviet Union, over and above the trade parameters of the two countries' five-year trade plan. This will permit Poland — as a short term move — to reduce imports from OECD countries and thereby improve its balance without cutting as deeply into total imports and goods available for domestic consumption as it would have without the ruble credit.

Finally, and a measure of how seriously the Warsaw Pact leaderships intend to prevent destabilization plans from having soil to take root in, the Polish Party and Government leadership was shuffled at this month's Central Committee plenum (with shifts that) increase Party ability to monitor and direct the economy.