

overrun, while exports have failed to rise at the planned 15 percent annual rate.

That more dangerous internal adjustments are ahead is apparent. Party leader Edward Gierek currently has a special team of economic advisors working on three main topics: a plan to link wages to productivity in the construction industry, distribution of resources among the provinces, and decentralization of the steel industry. All three emulate the "Yugoslav way" of decentralizing the economy for the sake of the "flexibility" that Wall Street lenders want.

#### *Gierek Acts On Bad Advice*

Party chief Edward Gierek focused his address to the Polish United Workers Party's current plenum on agriculture and foreign trade. The main theme he struck,

however, was the "coresponsibility" of officials at all levels, as well as workers, for pulling through the austerity crunch. To "share" the crisis, the new government committee will include prominent trade-union representatives.

In putting out this "soft" approach, Gierek is clearly listening to advice from party central committee member Rakowski, editor of the weekly *Polityka* and often a conduit into Poland for what the rotten wing of the Western social democracies has to say. Rakowski, warning in a September editorial about "the edginess of the population," plugged as a solution "a system where employees feel themselves truly comanagers." The similarity with the dissident "Self-Management" committee's campaign is hard to miss.

## Peasant Agriculture Drains Polish Economy

The production of food in Poland is a labor-intensive, historically retarded endeavor, whose uncertainties and failures underlie the country's current economic crisis and the strong potential for serious political unrest there.

A chronic "scissors crisis" between the nearly feudal agricultural sector and industry which in some technologies (such as mining) has made groundbreaking advances, has fed crisis after crisis in the past three decades, including the toppling of the Polish governments in 1956 and 1970. Now, new rounds of agricultural crisis compounded by the results of six years of heavy Polish borrowing in the West to push ahead the country's consumer and export sectors, have set in motion the destruction of Poland's industrial base.

Poland has often been extolled as the last bastion of private agriculture in Eastern Europe. A 1974 report to the Joint Economic Committee of the U.S. Congress called it "the most productive" in the area. Yet Poland is the one country in Eastern Europe where food shortages severe enough to send political shock waves to the top of the party and government have occurred. And the reason is not merely the diversion of Poland's hams to U.S. tables in the interest of raising cash.

#### *Feudal Land Tenure*

Over one-third of the Polish workforce is employed in farming, even more than the USSR's high 28.5 percent and the 14.2 percent and 10.9 percent, respectively, in neighboring Czechoslovakia and the German Democratic Republic. Less than 5 percent of the United States' workforce is headed for agriculture. Eighty percent of the arable land is held by small farmers, in tiny strips inherited from the feudal land holding patterns of the last century. Two-thirds of the peasant farms are smaller than 12 acres, and half of those are smaller than five. The daily *Zycie Warszawy* reported earlier this year that fields measuring five meters by 10 kilometers were not unheard of in one district.

When most of Eastern Europe was collectivized under Soviet direction, in the period immediately after World War II, a mere 10 percent of Polish agricultural land undersent the transformation. Even this was undone a decade later, when the crisis of October 1956, fanned by the efforts of British and U.S. intelligence agencies, brought Wladislaw Gomulka to power. Gomulka had been a chief proponent of the Bukharin faction's policy against collectivization in the late 1940s (he was jailed at the time on other counts, but the policy prevailed). In 1957, the number of collective farms was slashed from 10,600 to 1,700 and the land reverted to peasant ownership.

Justifying the policy, Gomulka stated that his regime would not try to loosen the peasant's grip on Polish agriculture nor challenge the peasant's world outlook: "The road to setting up a vast network of cooperative farms in Poland's countryside is a long one, and quantitative development of producer cooperation cannot be planned because, on the basis of voluntary entry in a cooperative, this would amount to planning the growth of human consciousness — and that cannot be planned."

This established a pattern of government propitiation and coaxing of the peasants, a pattern that still holds. Boxed in by its bargain with the peasant, the government has reduced its agricultural reform policy to a series of gimmicks, always designed to win over the peasant to just a little bit more mechanization or collectivization, without breaking the pact — that is, without triggering peasant slaughter of livestock or refusal to deliver grain to the state for urban distribution. Gomulka tried to encourage "cooperativization" through the machine-sharing Agricultural Circles; or, as in a 1958 speech, hinted that the future of Polish agriculture lay in socialized (collectivized) farming after all. The prompt response of the peasants was to slaughter their animals, believing them about to be confiscated. The Gierek

regime has run through the same theme with variations — coaxing the peasants with higher procurement prices or pensions, only to find that these maneuvers confirm the peasants' confidence in being able to hold out for more, and hold *back* deliveries against expectation of more concessions whenever it seems to be a good bet.

#### Hand-Harvested Potatoes

The fraud of Polish agriculture's proclaimed high productivity is apparent if Poland is contrasted with Czechoslovakia and East Germany, adjacent countries with comparable soil and climate conditions. In wheat production, where mechanization and consolidation of land holdings into large fields are essential to raising yields, Poland lags behind. Too many of its wheat fields are barely big enough to turn a tractor around on.

It is in hand-harvested potatoes, and milk yield of the peasant's personally cared-for cow, that Polish productivity is higher (See Table I). But at what cost? Thirty-three percent of the population of an industrial nation laboring on the land with the techniques of a hundred years ago — and an inordinately large portion of national investments (16 percent in 1970 compared with 11 percent in Czechoslovakia and 14 percent in East Germany) sucked down the agriculture sinkhole!

Table I

Comparative Agricultural Yields 1971-1973				
	Milk (litres per cow)	Potatoes (quintals per hectare)	Rye	Wheat
Poland	2,980	175.7	22.9	26.1
Czechoslovakia	2,644	150.0	28.1	35.6
German Democratic Republic	3,500	168.6	28.7	39.6

Source: Joint Economic Committee of the Congress of the United States.

And with what implications? The peasant, laboring to extract these yields, has the leverage to disrupt the economy and make planning impossible by withholding produce from the market. This is the leverage exerted by the *kulak* in the "scissors crisis" of 1920s Soviet Russia. In Poland, he still wields it.

#### More Horses Than Tractors

The history of attempts to motorize Polish agriculture is a cameo of the more general dilemma. Poland's postwar rates of tractor production are high, although it started from near zero after the ravages of the Nazi armies retreating across Poland. Nevertheless, by the mid-1960s Polish farms had the highest density of horse population in the world: three horses on every two hectares. Today 60 percent of draft power is still the horse.

A 1959 Polish Central Committee plenum decreed that

the tractor must replace the horse. Gomulka's administration, having washed its hands of the fundamental *political* problem of collectivization, tried a highly non-political approach to carrying out its decision: before the new tractors began to roll off the line, production of horse-drawn implements was suspended as an incentive. The upshot was that peasants resorted to farming with neither tractor nor horse — *by hand*. Only in 1964 did production of horse-drawn implements resume.

In the same period, Gomulka wheedled the peasants by promising an end to discrimination against kulaks in tractor acquisition. The peasant was permitted to purchase machinery directly, rather than through the Agricultural Circles, which he feared as stepping-stones to collectivization. This permission has repeatedly been withdrawn in later years, again as encouragement to cooperativize, but always restored. (See Table 2 for present tractor concentration.)

Table II

Tractor Horsepower		
(per 100 hectares of arable land)		
	1971	1974
Poland	57	89
Czechoslovakia	115	138
German Democratic Republic	146	152

Source: Statistical Yearbook of the CMEA Countries, 1975

At a party congress in late 1975, the Gierek administration again proclaimed its intention to bring Polish farmland into the socialist sector of the economy in the current five-year plan. Over the past two years of worsening food crisis, however, these plans have been quietly scrapped. The most important agrarian policy decisions of 1976 and 1977 were a rise in farm produce procurement prices (and correspondingly in national expenditures on grocery-store food price subsidies) and a new pension scheme for the peasantry. Peasants will now be eligible for state pensions without having to hand over their land to the state upon retirement.

— Lana Wolfe and Rachel Berthoff