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# PROLETARIAN PATH

Vol II No. 1 & 2 Jan-April, 1982

# **EDITORIAL**

# The Silver Lining In Darkness

On December 13 last year, the Military Council of National Salvation, a military junta, declared martial law in Poland. By an irony of history, something unthinkable had happened, A state professing to be worker's state had to take up arms against the working class to defend itself—and not against a small section of the class or a significant minority, but the whole class. Poland's ]socialism' was saved at the cost of arresting and killing workers in the streets, factories and homes. The agony of the initial defeat of one of the most powerful and glorious workers struggle of our time was tremendous. But revisionism is so strong that even such heroic sacrifice by the Polish workers could not smash the illusion of 'socialism' and 'peace' of the USSR and modern revisionism.

Yet on no account should this fact make the Marxist-Leninists pessimistic. On the contrary, it shows that the question requires rigorous historic analysis and vigorous propaganda. Only then can we break the revisionist argument and smash the myth of 'socialism' and 'peace'. Aware of the movement's demand for immediate study, we attempt in this issue to make a rigorous study of this question, constrained only by the availability of facts. As no political movement can be studied without looking into the economic background, we begin, in the first article, by making a historical analysis of the economic crisis.

As the facts show: the *immediate* cause of the economic crisis which resulted in the workers revolt, is the pressure of the western imperialist countries. The degree of dependence of the Polish economy on western imperialism was so deep, its debts (\$28 billion by March, 1982) so large, that the Polish government needed an extra \$500 million just to refinance its debts. The results: the imperialists imposed the condition that prices of foodstuffs, in particular, meat and sugar, should be raised before any further credit could be granted. The Polish government succumbed to it, even though the strikes of 1970 and 1976 which were also against the government policy for raising foodstuff prices by 30% and 60% respectively, should have forewarned the government of the nature of events that would follow. That the western finance capitalist to *force* such a political crisis appears elementary in view of the development of the Polish economy link with western imperialism, beginning from collaboration under Gomulka, to western export-oriented industrialization through massive western credits, and finally when the priority of the 'socialist' plan became the paying off of the foreign debts to western imperialism.

The modern revisionist would shout with glee, "1 told you, the western capitalists were the culprits." Not so quick, revisionist gentlemen. The western imperialist does dream of liberating Poland from Soviet influence. But what it could not do in the first decade of the Polish workers' state, it has almost done today. The mystery gets solved when we look beyond the apparent immediate factors to the *essential* cause of the Polish crisis. After all the essence of any phenomena manifests itself through causal factors. The essential cause of the Polish crisis is the restoration of capitalism from the mid-50s onwards; the deviation of the PUWP from the principles of socialism, dismantling of centralized planning, decollectivisation of agriculture and the reemergence of private farming, inclusion of the means of production in the orbit of commodity exchange and profit-centred production.

Brezhnev declared to the 26th Congress of the CPSU, "We will not abandon fraternal socialist Poland in its hour of need, we will stand by it." This 'heroic' declaration by the 'friend' of Poland was echoed by the revisionists all over the world. The Soviet Union is projected as the peaceful and pious angel. But the opposite is the truth. Brezhnevite hands are stained with the worker's blood. The serious errors of Poland's leadership cannot wipe out the criminal acts of the Soviet Union. It is doubly guilty. Being the centre of the erstwhile socialist camp, the Polish leadership under Gomulka, Gierek and Kania could not have deviated from the path of socialism without the patronage of the Khruschevites and the Brezhnevites. If Gomulka regained power, it was because Khruschov supported him. Success of the restoration of capitalism in the exsocialist countries rests squarely on the USSR; it became the international base for state bureaucratic capitalism.

Second, having turned the economy of the East European countries onto the capitalist path, the USSR made CMEA— which was established in 1949 under Stalin, "to achieve wide economic cooperation of the countries of People's democracy and the USSR" when other countries of Western Europe were in essence boycotting trade relations with the countries of people's democracy as these countries refused to subordinate themselves to the dictates of the Marshal Plan, insofar as the plan violated the sovereignty of countries and the interest of the national economic system—an instrument of imperialist hold over East European countries.

If under Stalin, CMEA had a two-fold objective; first, to disintegrate the single, all embracing world market into two parallel world markets confronting one another, thereby hastening the process of capitalist crisis; and second, to incept the foundation for an integrated socialist plan for the whole of the socialist camp. Khruschov and Brezhnev made the CMEA an integrated part of the world capitalist market and by doing so gave relief to the world capitalist system and also created the base for the imperialist exploitation of East Europe..

The intra-CMEA control price being based on the world market price, 'unequal exchange' similar to that existing in the western imperialist sphere, takes place between the USSR and the Eastern European countries as the USSR is the more developed country. Also the increase in prices in the last decade has accentuated this unequal exchange. The new formula for intra-CMEA price imposed by USSR is based on annual adjustments on the basis of the moving average of the world market, bringing it closer to the world market price. Moreover, for oil—the commodity on which East European countries depend almost 80% on USSR—and some other commodities, the intra-CMEA price was based on different averages. The result, increase in the CMEA price in favour of the USSR viz. the increase in CMEA price in 1975 in relation to 1974: fuel 100%, raw material 8-50%, food 15%: machinery and equipment 11%, and industrial consumer goods 13%. If from one side the Polish economy was bled white by western imperialism, from the other side it was Russian social imperialism. Poland is caught between the two arms of the world imperialist system.

A question comes into our minds. Why did the crisis affect Poland from among the countries of the Soviet neo-imperialist bloc? The Polish event was the result of three factors: a) from the camp of Soviet social imperialism, Poland has the *largest* debt, more than one third of the total camp—to western imperialism and economically almost equally dependent to both the imperialist blocs, b) Poland is the *only* country among the social imperialist camp to have never completed collectivisation due to which the agrarian economy has remained privately owned, primarily petty production; and agriculture has remained backward in comparison to European standards; c) As the problem of Poland is inseparable from that of the security of the Soviet Union, what Belgium and Greece are to the security of Great Britain, the deepening of the crisis

of the world imperialist system as a whole thereby *increases* the contention of the two imperialist blocs centring around Poland.

These three factors are the exclusive characteristics of Poland which make it the weakest link in the social-imperialist camp. Naturally then the deepening of the world capitalist crisis and the ensuing imperialist contention, stressed the link almost to a breaking point. The rupture of the economic link between western imperialist countries and Poland would have endangered the whole East-West economic relations, which would have been today detrimental to Russian imperialist interest. So it allowed the western imperialists to dictate the terms on the economic front but could not acquiesce any attempt in the forming of a Polish Government by the persons who are unfriendly to the Soviet Union and that is why it reasserted its political and military hold over Poland.

If western imperialism, having the capability to subjugate the Polish economy actually subjugated it, the USSR as the source of modern revisionism in the erstwhile socialist camp and the fountainhead of social fascism today, not only created the condition for such a subjugation but has politically, economically and militarily strengthened the fascist offensive against the Polish workers. Its deed is equivalent to none other than the Hitlerites.

But our CPI and CPM, "endorse this determination not to surrender the gains of socialism..." And if one confronts them with the question as to why the "gains of socialism" objectively create the conditions of a general strike, they would retort by crying of an "international conspiracy to undermine socialism by beginning a violent confrontation." There is no doubt that every general strike has a potential of an insurrection. But the cause of a general strike is not some conspiratorial act. It is not a subjective wish of some individuals or even imperialist powers. Strikes take place because the objective conditions for a strike exist in the capitalist economic system. Without such objective conditions existing, no conspiracy can instigate a general strike. Failing to see this would be deviating from materialist understanding and falling into idealism. So, no matter what might be the interest of the Western imperialist powers (and there is no doubt they have an interest in undermining the USSR's political hold over Poland and are also conspiring to achieve it, the general strike for such a long time is possible because the *objective conditions of the Polish economy engender it*.

The question cannot be evaded by blaming the 'international conspiracy' or even discovering errors of the PUWP for "flagrant violation of inner party democracy by making impermissible inroads into the working of the country's trade union, by demolishing the demarcation line between the party and the mass class trade unions." Organizational question is derivative of the political line and if the PUWP has made errors on organizational matters, it is because the political line of the party is directed against the interests of the working class. No doubt PUWP has to suppress inner party democracy and democratic function of the trade unions. Stalin correctly said that the cleavage between the vanguard and the class occur, "if the party is obviously wrong and the party is unwilling to reconsider and rectify the mistake."

As a result of the revisionist policies of the PUWP, the Polish economy today is a capitalist economy, dependent primarily on the USSR (but is increasingly becoming dependent on western imperialism) and the Polish state is a bureaucratic capitalist state, politically and militarily under the influence of Russian imperialism. With such a premise, the modern Polish labour movement appears in the right perspective: its history is the history of the workers' struggle against the developing capitalist relationship. The second article gives the historical development of the Polish labour movement.

However much the revisionists claim, the Polish proletariat did not suddenly appear to steal

the international limelight with their show of unity and strength. The 1980's strike was preceded by the strike of 1970 and 1976, each time on the same issue: rise in the prices of foodstuffs. The earlier strikes became schools for the workers from which they came out much better trained; the spontaneous and uncoordinated strikes of the earlier phase had given way to centralized and coordinated general strikes.

The present phase of the strike was a profound act on the part of the Polish working class. The earlier strikes were still within the framework of official 'socialist' unions, and in time the workers learned that there was no permanent organization to supervise, implement and defend the agreement once the strike was off. The 1980's strike reached a higher level, reflecting the need of the class for a permanent organization—trade unions independent of the state.

The two most, important demands—they are political demands inasmuch as their winning will change the balance of forces in favour of the working class—of the Polish workers, formulated first on August 16th 1980, by the Inter-Factory Strike Committee at Gdansk, are: right to form independent and self-managing trade unions and the right to strike.

Should we support the movement of Solidarity? The world proletariat and the Marxists are faced with this question and it can be answered only when we judge the movement of the Polish workers in the context of the historical task before the Polish working class. The Polish state being capitalist, the state sponsored unions, even if they don the dress of 'socialism' to entice the honest worker, becomes an appendage of the state as the corporate unions under Hitler and Mussolini. The official unions instead of becoming an organ of class struggle within the framework of free collective bargaining, has become an organ to control wages and pacify class struggle. In such condition, the most important immediate task is to delink the class from the legal political apparatus of state corporatism. Only then will the terrain be prepared for a proletarian revolutionary perspective to emerge. In as much as it is struggling for the right to strike and the right to form independent unions, Solidarity is fulfilling this immediate historical task. Its victory will enhance the class struggle in Poland and so it has become the link to the future of the workers' movement for socialism in Poland and the Eastern European countries. Solidarity today needs the support of all workers and democrats. But on no account must the Communists of Poland and elsewhere shy away from making principled criticism of the clerical nationalist and anarcho-syndicalist political trends within Solidarity for these are bound to direct the developing working class movement away from the establishment of socialism and into the orbit of Western imperialism.

But the CPI and CPM in our country and their friends elsewhere will raise a 'hulla gulla' of church, and anarchists supporting Solidarity. No one is denying the fact that church, and anarcho-syndicalism has an ideological hold over the Solidarity masses. History is not made according to doctrine. It grows out of the economic, political and ideological conditions of its time. What else can we expect from the Polish working class, when the majority of workers are first generation workers who have never experienced the building of socialism in 1949-54 period; who though spontaneously reacting to the growing capitalist relationship, still think it is a part of 'socialism'. Where has the working class movement begun which in its infancy has not got corrupted and mingled with anarcho-syndicalism? Until the principle of Marxism is laid bare, the workers always mixed their proletarian instinct with petty-bourgeois aspiration. And you, by your revisionism have helped to spawn it just as the reformist treachery of the Second international engendered in reflex revolutionary anarchism prior to and during the course of the First World War.

Even if for the sake of argument we agree to the socialist character of the Polish state, does it

become justified to condemn Solidarity for raising the right to form an independent union and the right to strike? Do the workers in a socialist state forfeit these rights? The answer is no.

Even under socialism, Stalin said, "The Party must not command, but primarily convince the masses" and that the mutual confidence between Party and class will break "if the Party begins to build its prestige among the masses, not on its work and on the confidence of the masses, but on its 'unrestrictive rights'." The CPSU consistently fought for this principle. Even in the heyday of Soviet industrialization, under the first and second five year plans, when the tendency to waver from it was great, the party stood by this principle. The XIV Party Congress of the CPSU pointed out that that "methods of commanding and petty supervision are least of all permissible in trade unions"-all party leadership must be exercised through the fraction and groups of communists in trade unions." The party and the workers' state have no formal right by virtue of which it can compel or force decisions on the trade unions. It has a right only to convince the masses by gaining their confidence through its actions.

In particular, the party and the workers' state cannot compel the workers to join the trade unions in general, not to speak of a particular union. In fact the first debate under the proletarian state concerning trade union was on this issue. In the Xth Congress of the CPSU this debate was concluded by supporting Lenin's line for voluntary membership of the trade unions, as against Trotsky's line for compulsory conscription of labour in trade unions. The modern 'Leninists' seem to have forgotten this.

Strikes occur when there is a dispute between labour and management. It is a normal phenomenon under capitalism, where this dispute is irreconcilable as labour and management begin from two different premises and so the strike ends when a compromise is achieved. In socialism, a dispute between labour and management can occur, but it is reconcilable as both the state and the trade union begin from the same premise: the benefit of the working class. Strikes are abnormal phenomena under socialism and its occurrence indicates that some dispute has already been aggravated and if unattended will become irreconcilable. In socialism, the right to strike is not formally taken away, only the cause for strike is eradicated, It remains as a right and acts as a barometer of the developing socialist relationship between labour and management.

When strikes of the magnitude and proportion of the Polish strikes occur, it should be sure sign to change the party policy. On no account can it imply using force to impose party policy. The socialist principle asserts that the party cannot impose policy by force, even if "correct on the whole but the masses are not yet ready" (Stalin). But our modern 'Leninists' are using tanks and martial administration force to impose their economic policy when the workers refused to budge from their demands. And the price rise in foodstuffs (which was the cause of the strike) has increased from 60% to 400%! Long live the modern 'Leninists' and Socialism'!

The struggle of the solidarity has proved to the world that the modern revisionists in USSR and the East European bloc can deceive the workers of their camp under the garb of 'socialism' by inheriting the prestige and confidence of the earlier socialist phase. This is only till the logic of history forces their real interest to grow out of even this distorted 'socialist' form and takes up a form corresponding to its content: fascism.

## The Economic Background To the Workers' Revolt In Poland

Vijay Singh

As part of the programme for laying the foundations of a socialist society in Poland the Polish Communists headed by Boleslaw Bierut put forward a programme of socialist industrialisation in 1949. The programme was designed to end the contradiction between the advanced state and social system and the backward technical and economic foundation and ensure Poland's economic independence. Under capitalist industrialisation light industry is .developed on a priority basis and only after a long period of time when light industry accumulates profits does it transfer these profits for the development of heavy industry. Socialist industrialisation was based on the growth of socialist industry, primarily heavy industry, and the consolidation of its leading role in the national economy. This policy of reliance on heavy industry, viz. production of the means of production, was the only method which could ensure the continuous expansion and perfection of socialist production on the basis of higher technique and so ensure the material means for fulfilling the basic law of socialism: the securing of the maximum satisfaction of the constantly rising material and cultural requirements of the whole of society. As the working class occupied the key economic positions it was possible to rely primarily on the internal resources of industry itself for industrialisation—the assistance of the Soviet proletariat played only an ancillary role. Democratic Poland rejected the enslaving loans which were offered to it by United States imperialism under the Marshal Plan in 1947.

In the Bierut period, then, in accordance with the policy of socialist industrialisation industry was given precedence over the development of other branches of the economy, the development of industry applied to socialist industry and not industry in general, the development of the producer goods industry outstripped the growth of the consumer goods industry and the machine-building industry expanded more rapidly than the producer goods industry in order to provide a basis for heavy industry and light industry, agriculture and communications. The basis for planned socialist industrialisation was provided by the nationalisation of industry. This took place in three phases. After the liberation of Poland by the Red Army abandoned plants were spontaneously taken over by the workers, after May 1945, industrial enterprises came under the provisional management of the state and in January 1946 3400 big and medium sized enterprises employing a million workers were nationalised. Thus the basic means of production came under the compass of direct planning. During the Three-Year plan of 1947 the output of the machinebuilding industry expanded such that by 1949 it was nearly six times the pre-war level and the output of agricultural machinery was 74% higher for the same period. In the first four years of the Six-Year Plan incepted in 1950 socialist accumulation reached 20.4% annually in the years 1950-53. A modern base for the steel industry was created, the foundation of copper and aluminium smelting was laid. Of key significance was the creation of whole new branches of industry: ship building, turbine sets, power station equipment, heavy steel mill installations, mining and chemical equipment, tractors etc. Industrial production between 1950 and 1953 grew by 70% while labour productivity increased sharply. Between 1951 and 1953 the rate of increase of production of the means of production rose 22.3% annually and the production of consumer goods rose by 18.5% annually. The national income increased in these years by 45% and was associated with the considerable rise in the share of industry in the economy from 31% to 37.5% in 1953.

The Gomulka group replaced the policy of socialist industrialisation by a policy of capitalist industrialisation. This policy required that light industry, in which less capital is necessitated,

capital turnover is faster and profits are made more easily, become the first object of industrialisation. The volume of funds for accumulation were drastically reduced such that the average annual growth rate of investment in the years 1954-58 amounted to 6.5%, one third of the share in the first four years of the Six Year plan. Productive investment as a percentage of total investment fell from 75.5% in 1950-55 to 69.2% in 1956-60; the outlay on industry fell from 46.3% to 41.2% and the investment on agriculture rose from 9.6% to 12.1%. In the same period nonproductive investment expanded from 24.5% to 30.8%. The policy of positive discrimination in favour of light industry at the expense of heavy industry is revealed in comparing the percentage of investment in industry in the period of the Six-Year plan, 1950-55 and that of the early Gomulka period, 1955-60: the percentage of investment in machine-building and metal working fell from 17.7% to 10%: of metallurgy from 20.5% to 12.9%, power from 9.8% to 9.4%, while investment in fuel rose from 17.9% to 21.6%; the percentage of investment in the chemical industry rose from 12.8% to 13.3%, the building industry rose from 5.6% to 9.5%, the timber, paper and cellulose industry expanded from 1% to 3.5%, light industry from 4.3% to 8.2%, Predictably the policies of Gomulka led to a sharp fall in the rate of increase of capital goods and consumption goods and a lowering of the rate of growth of the national economy.

After 1959 a new phase of economic development occurred associated with an increase of investment in the national income; from 15.1% in 1958 this share increased to 19.1% in 1962 and 21.7% in 1968. Rapidly industrial development took place in the second and third five-year plans in the sphere of raw materials, sheet, fuel, power, electrical and chemical industries and those branches of industry catering to the requirements of agriculture. This new phase of 1959-70 did not signify a return to the path of socialist industrialisation for it was associated, as will be seen below, with the 'economic reforms' designed to destroy the socialist economic system. Further, in opposition to the balanced and proportionate development exemplified by the original Six-Year Plan of 1950-55 associated with the leading Polish Communist, Hilary Minc, the proportion of productive investment though higher than the early Gomulka period fell significantly and was linked with a dramatic rise in investment in agriculture; the proportion of nonproductive investment also fell sharply. The years 1959-64 witnessed the development of the raw material base; in addition to coal production which fell in this period (a policy justified by Gomulka on the grounds that the conditions of the coalminers were poor) Poland entered the sphere of sulphur and copper production. The period 1966-70 brought a rise in the share of the electricals and chemicals industries in the total of industrial production. Capitalist industrialisation in this period did not satisfy the rising material and cultural requirements of the Polish working people; between 1961-70 industrial production grew at a rate of 8% per year, the annual rate of economic growth was 6% while the average real wage per annum grew by only 1.8%.

In the period 1970-80 the path of capitalist industrialisation continued. The unusual growth of industrial production was linked with the accelerated rate of industrial investment: thus during 1971-75 an annual average of 21.7% was achieved. The proportion of productive investment as a percentage of total investment was higher than the Six-Year Plan period 1950-55: 77.2% in 1971-75 and falling slightly to 76.8% in 1976-79. Compared to 1950-55 when 46.3% of all investment was directed to industry, in 1971-75 the proportion was 42% and 1976-7 declined slightly to 40.5%. The proportion of agricultural investment in 1971-75 rose to 15.2% and 16.1% in 1976-79 as compared to 9.6% in 1950 55. Compared with the Gomulka period the proportion of non-productive investment fell sharply to 22.8% in 1971-75 and registered a sharp increase to

23.2% in 1976-79; while in comparison with the period 1950-55 the ratio of non-productive investment was somewhat lower. Intensive industrialisation was not founded on the internal resources of accumulation but was based on the enslaving loans extended by German, French, British and United States imperialism. It was typified by the collaboration of western financecapital, particularly Western German and French capital with Polish industry leading to the wholesale, indiscriminate and reckless importation of western technology, machinery and whole plants designed to utilise the cheap labour-power of the Polish proletariat for a policy of exportorientated industrialisation. Further, the industrialisation programme did not sufficiently develop heavy industry. Machine-building, metallurgy and mining expanded but the overall rate of growth of mining and smelting output was weak. The most rapid development of the Gierek period occurred in electrical engineering, chemicals, light, food and building industries. The electrical engineering industry developed and enriched production of television, radio, Fiat cars, computers, pocket calculators, household appliances such as coolers, refrigerators and automatic dish-washing machines, cameras, tourist and sports equipment. The chemicals industry developed production of imitation wool, cotton fabrics, drugs, paints, dyes and detergents. he production of housing materials, was strongly developed. The increased ratio of investment in agriculture was utilized for supplying means of production, tractors, fertilisers and concentrated feeds for the Kulaks and middle peasants. In short heavy industry (Department I) marked time and declined while the production of consumption commodities (Department It) underwent a hot house growth. Industry expanded at the rate of 11% per year between 1971-75, while industrial output increased by 64% in the period 1970-75; in the years 1971-75 the annual rate of economic growth reached nearly 10%. Average real wages between 1971-75 increased by some 40%. In order to pay off the huge credits from Germany, France and other imperialist states for industrial development, the massive import of wheat, barley and maize for purposes of consumption and fodder as well as to pay for the oil and natural gas imported from Soviet neo-imperialism Poland from 1970 onwards was compelled to (a) take advantage of its vast energy deposits, one of the largest in Europe after North Sea oil, and mineral deposits to expand exports of coal, lignite, copper, sulphur, chrome, titanium and platinum; (b) increase the export of industrial commodities particularly those developed in collaboration with western imperialism: metal cutting machines, complete equipment for the fuel, power and chemical industries, electronic computing equipment, machinery and equipment for the food industry, pharmaceuticals, buses, goods-vans, passenger cars, clothing and footwear; (c) increase exports of agricultural commodities in the form of cattle for slaughter, raw meat, ham, pork and potatoes. The Gierek strategy of export orientated industrialisation counted upon the expansion of exports to pay back the credits taken from the west. The failure of this industrial strategy is revealed by the Polish journal *Polityka* ("Report on Licenses", *Polityka* No. 24, July 13, 1981) which summarized the results of a study by experts authorised by the Polish Ministry of Science, Higher Education and Technology to examine licensing policy during 1971-80. The bulk of the 428 licences purchased in these years were from the western imperialist bloc. The FRG (102), France (63), United States (48), Great Britain (38), Italy (36), Japan (21), while a minority were purchased from the camp of neo-imperialism: the USSR (15), and the GDR (15). These licences cost Poland 181 billion exchange zlotys through licence payments, investment imports and cooperation supply-imports. 90% of this amount was paid to the hard currency zone. The total cost of these licences mounts to 312 9 billion zlotys when domestic outlays of investment and means of production are added. By 1980, 342 licences were operative, 46 projects had been halted, 30 delayed and 9 were being carried out according to schedule. The value of the

production output of 314 licences came to 1,132.4 billion zlotys. The value of the exports based on licenced products including direct and indirect sales amounted to 19,100 million exchange zlotys: this figure for the metallurgy industry included to licence-production sales the value of copper exports in the KGH Lubin mining and smelting complex. *Polityka* argues that were one to assume that over the 1971-81 period the total value of licenced-production exports amounted to 19,100 million exchange zlotys and the total value of foreign-exchange purchases to 18,100 exchange zlotys one establishes an export-import index of 105.4%. However, by excluding the value of copper exports the index fell to 90%. The index for turnover with the hard currency zone stood at 73.9% if the value of copper exports were not deducted And with the deduction of the value of copper exports the index dropped further to 60% The Gierek strategy for exportorientated industrialisation led not to the expansion of an independent programme of industrialisation but to the deepening of the dependency of Poland upon western imperialism, this, in conjunction with the steep hike in prices of oil supplies from the Soviet Union and the price rise of grain imports for consumption and fodder from the United States engendered the ever-deepening financial crisis which formed the backdrop to the workers movement of Poland from July 1980.

#### Agriculture

The initial land reforms in peoples Poland in 1944-6 was of a revolutionary-democratic character as revealed by the abolition in a consistent manner of the remnants of feudalism represented by the large estates of the big landlords; the allocation of these lands, after all debts had been written off, to the agricultural proletariat and the semi-proletariat; the prohibition of the sale, purchase and trading of land so as to safeguard the interests of the working peasantry from the usurers and kulaks. While the agrarian revolution in itself could provide no long-term solution to the backwardness of agriculture it permitted increased small-scale farm production as the state had removed the fetters on production: the debts created by the land hunger of the peasantry, the high price of land; an end to unemployment and the shrinking domestic market for agricultural products typical of Pilsudski's Poland, it further paved the way for the transition from small peasant farming to the socialisation of agriculture. This measure was implemented after 1948 once the national economy, devastated by the Nazi occupation, had been restored to the pre-war level. Under the Three-Year Plan the first steps were taken to link the agricultural sector into the framework of the national economy by a system of partial planning; the direction of agricultural production was influenced by the pricing policy of the state and the distribution of agricultural goods was directed by restricting, regulating and squeezing out private trade by expanding the network of socialised trading establishments.

From 1948 the Polish Communists initiated the programme for the collectivisation of agriculture. This was designed to end capitalist relation in the countryside and enable agriculture to engage in large-scale socialised agriculture which alone could increase labour productivity and increase agricultural output on the basis of utilising modern machinery and all the achievements of agricultural science. Already by 1947 the state farms, comprising the highest form of socialised agriculture, and concentrated mainly in the newly recovered territories, covered 8% of total agricultural land. The state farms alone came fully under the sphere of planning and so could be relied upon to supply significant sections of the grain and meat requirements of the urban population: assist the small and medium peasantry by supplying them with plant varieties and animal breeding stock as well as serving as a model of large-scale mechanised farming for the working peasantry, facilitating the transition of the small and medium farms to collective farming. But the key link after 1948 was the establishment of collective farms of the small and

medium peasantry. By 1953, 20% of the available land had been socialised of which 12.8% constituted the land of the state farms and 7.2% of available land had been collectivised. The hegemonic position of the proletarian dictatorship in the countryside was ensured by the formation of state machine centres which owned the modern agricultural machinery and leased them to the collective farms and formed the centres of the political and economic influence of the working class. Especial incentives were granted to promote the development of the collective farms as the pivotal link in socialised agriculture: low taxation, special investment credits, priority in the purchase of fertiliser, the use of the facilities of the state machine centres, and the allotment of land from the state reserves. In the non-socialised sector of agriculture the workers' state positively discriminated in favour of the poor and middle peasants. The Kulaks, defined as owning 15 or more hectares of land who owned 18% of all arable land and constituted 10% of the rural population were denied special privileges by the workers' state in fertiliser purchase, lease of machinery from the state machine centres, excluded from participation in the collective farms and local organs of government, and confronted higher taxation and quota deliveries. As a result of the revolutionary policies in the period 1944-54 a number of successes were scored on the agricultural front. Poland rapidly reached and surpassed the pre-war level in terms of yield while the grain harvest and sugar-beet harvests doubled. In all branches of agricultural production but more emphatically in the socialised sector labour productivity per head of the rural population was higher than in 1938, agricultural production per person was in 1953 more than 30% over 1938. In consequence far-reaching improvements took place in the supply of agricultural products for the entire population.

In 1953-56 Polish agriculture was in a state of transition from capitalism to socialism. The socialist sector in the countryside existed in the form of the state farms, the state machine centres and the cooperative farms. The small commodity sector was represented by the small and middle peasants while the capitalist sector was represented by the rich peasant farms. It was the aim of the working class to ally itself with the middle peasantry and to further the socialist sector in agriculture by eliminating the rich peasants as a class. The middle peasantry which had been the beneficiary of the land reforms readily accepted the leadership of the working class. The expansion of the state farms, the developing cooperative movement of the working peasantry struck one blow after another at the system of rich peasant farming. In a rearguard action the rich peasants in alliance with the commercial speculators carried on an organised struggle with the political aim of splitting the middle peasantry off from the working class and economically to halt and reverse the rapid process of socialisation in agriculture.

From 1957 the Gomulka-Spychalski leadership of the PUWP ended and reversed the process of laying the foundations of socialism in agriculture by: reestablishing the free buying and selling of land, dismantling 75% of the collective farms such that today the 'production cooperatives' constitute 17% of all cultivated land, and liquidated the Machine Station Centres. These measures expanded the operation of the commodity and market economy and widened its scope such that capitalism was reestablished in agriculture. While Polish industry was highly developed by western European standards agriculture remained backward with regard to production methods and labour productivity. The return to the capitalist path in agriculture engendered an agrarian crisis wherein there existed a slow rise of agricultural production at a time when the working class had extended its food consumption to include a greater meat intake, yet the failure to socialise agriculture retarded the development of a fodder base for stockbreeding. Intensified agricultural production has been retarded by the property relations in agriculture characterised by a very high degree of fragmentation of the land. In 1976 less than

20% of the arable lands belonged to the large 'state' and 'cooperative' farms which had on average 900 hectares each. Another 25% was the private property of the rich and middle peasants cultivating an average 15 hectares apiece. But 50% of agricultural land was the private property of the poor peasants owning on average 3 hectares each. This structure retards the attempts to radically increase production in agriculture for the needs of the working class and industry. The Polish government under Gomulka after 1957 sought to resolve the agrarian crisis by what it termed the:activation of medium-sized and larger farms" i.e., a policy of reliance on the kulaks and middle peasants at the expense of the poor peasantry. This was performed by an economic policy of extending investment in agriculture at the expense of heavy industry, extending credit facilities for land drainage, electrification and mechanisation, greater use of artificial fertiliser, reduction of quota of deliveries, and the raising of state procurement prices for agricultural commodities. In the Gierek period the agrarian crisis was sought to be resolved by a triple pronged policy. First, consistent with the policy of industrialisation based on western credits large scale collaboration was developed with the European and American monopolies for the technical transformation of the agricultural sector. The almost double use of tractors in agriculture in the period 1970-75 was associated with the establishment of a large tractor factory on licence from the concerns of Massey-Ferguson and Perkins. Similarly the expanded use of fertiliser by 45% in the same time span was linked with the establishment of new fertiliser complexes built with imperialist assistance. Second, agricultural production on the farms of the Kulaks and middle peasants was stimulated through light taxation, low-interest credits and high procurement prices. In the years 1970-75 alone procurement prices were raised ranging from about a dozen percent to nearly 100%. Higher procurement prices particularly in stockbreeding was a vital factor in the increase of agricultural products particularly in the years 1971-3. Third, large scale farming to fully utilise modern agricultural machinery was sought to be introduced not on the basis of recollectivisation but by taking over or purchasing private farms and transferring them to the 'state' farms or selling them to the Kulaks. By this policy adopted in 1976 it was intended to expand the 'state' farms to cover 30% of all arable land and to strengthen the peasant bourgeoisie by establishing a stratum of super-Kulaks owning 20-30 hectares of land. Even prior to the adoption of this policy the logical consequences of the capitalist path in agriculture were clear viz. the expansion of the Kulaks and the ruination of the poor peasants. Between 1960 and 1974 rich and middle peasants owning between 10-15 hectares of land extended their holdings from 9.7% to 11.2% of all private farms. In the same period the farms of the semi-proletarian peasants owning up to 2 hectares of land expanded from 32.8 % to 39% of all private farms: the process of differentiation among the peasantry intensified in last 5 years of the Gierek period- The policies of Gomulka and Gierek by strengthening the Kulak and middle peasants resulted in the inevitable emergence of the peasant bourgeoisie as a significant political force in the form of Rural Solidarity. In the last few months this class by hoarding grain and withholding grain deliveries to the cities has led to the complete rupture of commodity exchange and engendered a food crisis for the Polish workers. The policies of the current military regime headed by General Jaruzelski in no way is intended to revert to the socialist path in agriculture as is revealed in the current proposal of the Polish government to raise the land ceiling for rich farmers to 80 hectares of land.

#### **Planning Changes**

The trend of the Polish 'economic reforms' of 1965, 1968 and 1972 have been designed to break up the system of centralised planning, investment, wages fund and the state monopoly of trade inherited from the Bierut period and to expand the powers of the enterprises, whether

individual or groups of enterprises, motivated by 'socialist profit', and the market mechanism. In 1965 the Polish government introduced a number of planning changes by which a limited decentralisation of the planning decisions was accomplished by transferring decisions from the ministries to the individual associations entrusted with all enterprises belonging to a particular branch of industry. These industrial associations became autonomous self-financing bodies controlling investment and incentives. The overall targets for output were still determined by the Planning Board and apportioned amongst the enterprises whilst the criteria of efficiency of an enterprise was no longer considered to be its output but its rate of profitability. The size of the bonus fund of an enterprise was now determined by the degree to which it fulfilled the planned target of profitability. Unlike the Liberman 'reforms' of the USSR the managers of the enterprises could not influence employment and the wages fund. The centralised system of investment was weakened by decentralisation of investment in plant and equipment which measure strengthened the powers of the managers of the individual enterprises. Prices, and particularly retail prices continued to be strictly centralised-only in enterprises producing items for export was output valued in terms of world market prices (exchange zlotys and the profitability of enterprises measured in these terms.

By the 1968 'reforms' socialist planning i.e. directive planning obligatory for leading organs determining the direction of development was decisively discarded in favour of 'guidance' of industry with regards to strategic growth targets and decentralised implementation at the enterprise level. State enterprises, combines and associations were to become independent profit centres 'guided' by the centre by a system of profit participation for management and workers. From mid-1970 2000 enterprises including the ship-building industry introduced the new system and it was planned to introduce it throughout the country by January 1971. However the system of material incentives for those enterprises which fulfilled net targets in the following five years was so structured as to lead to a virtual wage and salary freeze for the entire Polish working class at a time of rising prices and stagnant wages. The 1968 'reforms' were a major cause of the workers' revolt of December 1970 such that the new Gierek administration was compelled to abandon them.

The 1972 Gierek 'reforms' introduced 'pilot' and 'initiating' industrial units partially founded on the Hungarian 'New Economic Mechanism'. Indicator 'planning' was not to influence the individual enterprises through regulation and economic levers as in the 1968 proposals but would influence industry through the newly formed Wielkie Organizacje Gospodarcze (WOG) i.e. large economic organisations of a monopoly type controlling strong material resources and concentrations of labour. The experiment began with 15 pilot entities (PE) in January 1973 in industry embracing one million workers and by the following year 65 such PEs had been formed: industry, shipping, building and the retail trade sectors. Under the PE system both the value of the product generated and the gain in strength of the PE were rewarded in wagebill and the staff incentive scheme; investment occurred through bank credits on which interest was paid; and funds available to the enterprises were influenced by the benefits accruing from foreign trade. These policies dovetailed with the Gierek strategy of export-orientated industrialisation. Already in 1971 the state monopoly of trade had been weakened by granting the engineering, chemicals and light industries the right to carry out foreign trade independently in order to facilitate exports to the hard currency zones. Significantly the PEs abolished centralized government control over products and the wages fund thus bringing Poland into line with Soviet practice. Under the new system wages and bonuses depended on the profitability of the concerned PEs; and when the new bonus schemes were introduced into the shipyards the

workers of Gdansk and Gdynia staged go-slows in protest. However the pricing system for the PEs for investment and consumer goods remained unchanged in order to avert further workers' unrest.

Confronted with the workers' revolt »f July 1980 the Polish government proposed yet another set of 'reforms' of the economy in November 1980. The latest proposals envisaged a combination of indicative planning guiding, not the pilot entities formed in 1972-3, but the individual enterprises as had been envisaged in the abortive 1968 reforms. The Deputy Prime Minister of Poland, Henryk Kiesel argued that 'we must give the firm the right and duties of running itself. There should also be management participation for workers within the firm.' According to this scheme implementation of the planned targets for production would be increasingly allocated to the individual enterprises. These planning targets would be set in terms of value and not the type of goods to be produced or quality. Pay plans would be determined for the whole firm and not in accordance with the number of employed workers so that nonfulfilment of the plan would mean that enterprises would have less money available for pay. Kiesel defended this on the grounds that 'it will put pressure for more discipline at work. The fear of less money will help with self-discipline.' Under the projected 'reforms' individual enterprises would be permitted to merge and take over enterprises; unprofitable enterprises could be declared bankrupt and after a six-month grace period the banks would be permitted to place the enterprises in new hands or merge it with other enterprises. In such conditions, the banks would be empowered to reduce the labour force of bankrupt enterprises and workers who refused relocation would be declared parasites and be deprived of unemployment benefits.

Principally as a consequence of the Gierek industrial strategy the hard currency debts of Poland skyrocketed from \$741 million in 1970, to \$10.6 billion in 1976 and rose to \$20 billion by 1979. By March 1982 Poland was indebted to the tune of \$28 billion of which one third represented interest on principal. The extent of Polish dependence on western financial circles was disproportionately greater than the camp of Soviet neo-imperialism as a whole. According to one estimate the net debt to the west of the USSR and all the eastern European countries in the period 1971-79 rose from \$6 billion to \$65 billion. By 1979 Poland accounted for nearly onethird of the total hard currency debts of the entire neo-imperialist camp. Poland in the seventies was a favourite hunting ground for the western banks as it was willing to pay premium rates, higher than the banks could obtain from financially weak countries such as Brazil, at a time when petrodollars were inundating the international banking system. Further, Poland had an excellent record of paying off its debts and the banks regarded its credits as being ultimately assured by the Soviet Union. Indeed the International Bank for Economic Cooperation, a Comecon institution which itself borrows from the western banks, was an additional source of hard currency for the Polish government. The western banks extended credits in anticipation that they would generate sufficient exports to repay the loans. As has already been seen the Gierek strategy of export-oriented industrialisation resulted in a deepening of Poland's dependence on world imperialism. As credits expired the government negotiated new loans to take their place. Between 1973-76 the percentage of each dollar which was utilised to service debts increased from 35% to 85%. Poland was firmly entangled in the debt trap once again confirming Lenin's view that "finance capital is such a great, it may be said, such a decisive force in all economic and in all international relations, that it is capable of subjecting, and actually does subject to itself even states enjoying the fullest political independence".

#### **Debt Trap**

The proletarian dictatorship does not on principle reject the import of capital from imperialist countries for the construction of socialism, but communists do hold that the decisive factor in the construction of socialism must be the effort of each individual country itself and that outside support must play a subordinate role. Poland under the communist leadership of Boleslaw Bierut rejected the Marshal Plan in 1947 on the particular grounds that the terms of "aid" encroached upon its national sovereignty and economic independence by obliging Poland to (a) turn over to the Americans all data of an economic nature right down to production secrets (b) submit to a 'steering committee' for Europe standing above the governments even to the point of determining on what lines the key industries of these countries should develop. The revisionist Polish leadership accepted precisely these two conditions. The American progressive journal the *Guardian* reveals.'

"In January 1978, in connection with a \$250 million loan in which Chase Manhattan Bank played a central role, the banks were given 'an unusual amount' of information and on site inspection rights on the copper mining project involved.

"Later in the year, when the banks played hard to get and let it be known that detailed data on Poland's debt would mellow them, the Polish deputy finance minister signalled capitulation and came up with enough to satisfy the curiosity of the banks. They were so delighted by what they were told that they oversubscribed the \$500 million loan.

"Speaking of those negotiations, a U. S. banker was quoted in the *New York Times* as saying, 'we didn't have a blueprint for the Polish economy.... but we made it clear that belt-tightening was a prerequisite for any new credits' The meeting with Polish officials, the banker said, 'give Western capitalists a certain say in how the Poles proceed.'

"The bankers reportedly forced a 10% cut in the investment programme last year

"Then last April, Edward Babiuch, installed as prime-minister in February and bounced in the August politburo shakeup, announced a further pullback in development, indicating that the plan priority was paying off the foreign debt. He seemed to echo the bankers' call for belt-tightening,,,"

At the invitation of the Handlowy Bank, the foreign trading bank of the Polish government, 30 representatives of the leading banks of the U. S., Canada, Britain and Japan met at the Victoria Hotel in Warsaw on April 24, 1980. The Polish government gave its briefing on the state of the country's financial and economic position in fulfilment of the conditions accepted in 1979 for procuring a loan of \$550 million. Poland sought an additional loan of \$500 million to refinance its debts: it was already committed to paying on principal and interest to the tune of \$7.2 billion in 1980, \$6.5 billion in 1981 and \$3.9 billion in 1982. The western bankers placed two conditions on further credits being granted (a) the Polish government should cease investing hard currency in industries such as farm machinery which could not justify themselves in terms of earning foreign exchange (b) they criticised the pricing system in Poland for retail commodities. The western bankers "hammered hard at the Polish pricing system, particularly for food, under which the prices of goods like sugar and meat were kept far below market levels, at an annual cost to the Polish government of more than \$6 billion."

<sup>1 &</sup>quot;Behind the Polish Bank Connection", *Guardian*, 10th September 1980 cited in *Ray O. Light Newsletter*, Volume 2, Number. 1 October 1980,

<sup>&</sup>lt;sup>2</sup> Details of this and the subsequent meeting were leaked to western journalists. See Juan Cameron "What the Bankers did to Poland," Fortune, 22nd September, 1980.

#### Socialist Pricing and the Law of Value

In a Socialist society the fixing of prices for commodities has as its point of departure the socially necessary expense, incurred in its production. In the fixing of prices two tasks are taken into consideration (a) that of socialist accumulation (b) that of raising the material well-being and cultural level of the masses. The starting point in the fixing of prices is provided by the social costs of production. This incorporates the sum total of the costs of production of that commodity i.e. the total value of the commodities produced in socialist enterprises. The value of a product is but the starting point in determining the prices of commodities. Generally the prices of the principal articles of prime necessity approximate to value, commodities such as medicine, clothing, children's articles are sold at prices below value while luxury items such as alcoholic goods etc., are priced above their value. In general a socialist state is characterized by the systematic reduction of prices justified as industrial and agricultural products are continually improved and expanded on the basis of higher technique. Such was the case with the Soviet Union prior to the restoration of capitalism: between 1947 and 1953 the prices of consumer goods were cut six times resulting in a reduction of more than fifty percent in the general price level of consumer goods. In the Soviet Union periodic price reductions were the main means of systematically raising the real wages of workers and the income of the peasantry. Today Socialist Albania is the only country in the world where retail prices have shown a steady reduction.

The Polish 'economic reforms' imposed after 1956 had not, as already seen, basically impinged upon the centralized system of pricing even though revisionist political economists such as Oscar Lange continued to argue from 1957 that prices should be based on the law of value. The Polish government from the late Gomulka period onwards considered the price structure inherited from the Bierut period as anachronistic: 'prices ought to be an economic category reflecting the changeability of the conditions and costs of production. The prices of goods whose costs of production grow will have to go up, while those whose cost of production falls as a result of increased labour productivity will become cheaper'. According to this logic a 'socially rational' price structure required that prices of foodstuffs should be such that 'the market price for any commodity should reflect product costs' i.e. that the price of foodstuffs should be formulated on the basis of the law of value. The government press argued that whereas the cost of production of agricultural commodities rose two-fold in the period 1970-79 the price of food in the same time-span rose by "only" 17%, rationally then food prices required to be raised to take into account the rise in production costs and to end the system of government subsidisation of food to the tune, in 1981, of \$3.75 billion. The rise in the cost of foodstuffs had its material basis in the adoption of the capitalist path in agriculture after 1956. Decollectivisation as we have already agreed precluded the transition from small peasant farming to large-scale farming on the basis of utilising modern machinery and the achievements of modern agricultural science which alone could have provided the largest possible quantity of market produce, and, on the basis of higher labour productivity in the long-range could alone have reduced the cost of production. Each attempt of the Polish government to foist a "socially rational" price structure for foodstuffs by increasing market prices in 1970 by 30% and 1976 by 60% was foiled by the resolute united opposition of the working class as a result of which the government was compelled to declare in 1976 that no major change in pricing policy would be introduced 'without universal approval'. But this was only a tactical retreat for only by attacking the standard of living of the working class and poor peasantry by raising food prices could the

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<sup>1 &</sup>quot;Poland", Warsaw, 1977, p. 600.

capital be raised to offset the failure of the Gierek strategy of export-oriented industrialisation and pay off the credits to the western banks.

Already it has been stated that the Polish government requested a loan of \$550 million from the western banks on April 24, 1960 and the banks demanded that sugar and meat prices required to be raised before further credits could be considered. In June 1980 sugar prices were doubled, on July I, 1980 meat prices were raised by 30%. On the following day the workers of Warsaw went on strike and the Polish workers' revolt began. On the 22nd August 1980, the western bankers' conditions having been met, Poland received credits of \$325 million; the principal was 35% less than that requested and the interest rate was 1½% higher than the Eurodollar rate. Of the principal only \$265 million came from the western banks: the rest of the dollar credits were contributed by two Soviet banks and one Polish bank. These price rises were only the beginning. Under conditions of martial law when the working class organisations have come under physical attack a wholesale revamping of the price structure has been initiated. On February 1, 1982 the centralised pricing system was largely demolished as enterprises were permitted to set their own prices for commodities; in the realm of consumer goods, still partially controlled by the state pricing organisation price increases for basic food commodities were raised from 200-400%. The martial law regime evidently is completing the unfinished tasks of restored capitalism. Truly, as Lenin said, 'the export of capital affects and greatly accelerates the development of capitalism in those countries to which it is exported'.

### **Polish Labour Movement and Solidarity**

— Sambhu

A careful study of Polish labour movement and the character of Solidarity has become imperative for Marxist-Leninists today. The international proletariat has not seen such a powerful, united and politicised labour movement since the defeat of the Chinese proletariat in 1927. The genesis, forms of organisation and struggle, the scope of tasks undertaken and various contradictions impelling its movement all have to be carefully studied and lessons drawn.

So far removed from the scene of action we are naturally constrained in our study by the scarcity of material and information. A study based on insufficient material cannot claim to be final and has to be revised as fresh information comes in. Yet, to wait for the last bit of information to come in is to wait till eternity and the importance of the movement demands immediate study. As far as possible we have sought to rely on original sources published by the strike committee and the Solidarity. Of such material we have had access only to the *Strike Bulletins* of Gdansk Inter-Factory Strike Committee and the *Congress Post* covering the First National Congress of Solidarity Delegates.

The process of industrialization in Poland began in the second half of 19th century first in the mining districts of upper Silesia, textiles and metallurgical factories of Warsaw and Lodz, and the Baltic shipyards. Even in its infancy the Polish proletariat developed a tradition of militant struggle and the "Sit-in strike" was its contribution to the arsenal of the proletariat.

Nevertheless the industrial proletariat was numerically very weak, before the World War II and numbered less than 2.75 million. With the establishment of the Peoples' Democracy in 1944 and particularly the adoption of the programme of rapid industrialization, the size of the urban working class increased to about 5.2 million in 1951. This industrial working class was formed primarily through the shift of surplus peasant population to industry and the industrial workers' families retained ownership of some land. They generally belonged to the category of poor peasants. The second source of the working class was, of course, the old urban artisans. The building of large scale industries permitted a very high degree of concentration of industrial workers under single roof.

The numerical growth of the industrial proletariat has proceeded along with its concentration since 1956. Thus the size of the proletariat increased from 10.3 million in 1970 to 12.7 million in 1979. The enterprises employing over 1000 workers accounted for 46.5 percent of total work force in 1960, for 50.1 per cent in 1970 and 52.6 per cent in 1978. This is accounted for primarily by the increase in the share of enterprises employing more than 5000 workers. A high degree of concentration characterised the mining and metallurgical industries of Katowice (formerly Stalinogrod) and upper Silesia, Metallurgical and textile industries of Warsaw, Lodz etc, and ship-building industries of Gdansk, Gdynia, Sopot etc. Each of these employed not less than 20-25 thousand workers. It is possible to distinguish between the workers of these industrial centres who are second or third generation proletarians controlling the key sectors of the economy from the workers of the smaller and new centres who are first generation proletarians and "worker peasants" occupied in consumer goods sectors. Naturally it was the former who played the leading role in the building of the recent labour movement acting as the backbone of the struggle from which workers of small factories derived strength, backing, support and inspiration acting as the guarantor of their success and the last to be defeated by the martial law regime. It should also be kept in mind that the bulk of the nearly 14 million workers had never experienced the building of socialism i.e. the years 1950-54.

The slow maturation of the industrial labour force from the "worker peasants" of the 1950s and 1960s into a stable concentrated urban industrial proletariat of the 1970s and 1980s exploited by imperialists and local capitalists alike is the background to the powerful labour movement the like of which has not been seen for several decades anywhere in the world.

The Polish proletariat entered the eventful 1980s after being steeled in the fire of struggles of 1970-71 and 1976. As the movement in 1980-81 showed the proletariat made skillful and creative use of the lessons of those struggles standing testimony to the creativity of the class.

As in any capitalist country the proletariat was asked to pay for the crises which capital had led the economy into. In December 1970, the state announced 30 percent increase in prices of meat. The failure of the existing unions to defend the interest of workers forced the workers into strike action independent of the unions. The strike wave began in the Gdansk shipyards and rapidly spread to other centres like Elblag, Szczecin, Katowice. Silesia, Poznan, Wroclaw, Cracow and Warsaw. The first days were characterized by street demonstrations, attack on local party and state buildings which invited retaliation by the army leading to firing and massacre of about 400 workers (officially, 48) in Gdynia and Sopot. In response to this the Strike Committee of Szczecin called for a general strike. This forced the replacement of Gomulka by Gierek who opened negotiations with the workers. The Strike Committee demanded rescinding of the price rise, free election to trade unions and factory councils under supervision of workers commissions, democratic election in party and youth organizations, supply of correct information on the state of economy, security of striking workers and broadcast of workers' demands.

The principal demands of the workers particularly the freezing of prices for 2 years (at the 1956 level) had to be met as the strike continued in Gdansk, Szczecin, Lodz etc. In enterprises where the strike committees were strong enough they became workers committees and supervised fresh election to Trade unions. The workers of Gdynia, Szczecin, Lodz and Katowice mines pre-empted through strike action attempts to increase prices after the expiry of the 2 year price freeze.

1976 saw yet another attempt to raise the prices now by 60 percent and to incorporate into the constitution a provision for "eternal friendship" with USSR and leading role of the PUWP in the State. There were widespread strikes in protest in Radom, Vrsus, Warsaw etc. and street fights with the armed forces leading to death of about 17 workers. This forced the withdrawal of the price increases. A significant feature of the 1976 movement was the entry into it of reactionary nationalists, the church and the Anarcho-syndicalist intellectuals in protest against changes in the constitution. Between 1976 and 1980 most of the concessions were withdrawn including the price freeze. The latter was done indirectly through the creation of two types of retail shops —one selling at official prices and other selling at open market prices—double the official prices—and gradually increasing the quota sold in the open shops.

Such then were the first stirrings of independent proletarian movement wielding the powerful weapon of the general strike which succeeded in stalling attempts to lower real wages and created a tradition of militant struggle and threw up militant leaders of the class. The class began to see through the facade of "Peoples' Democracy" and "Socialism". More than its material achievements the struggles and their results became the schools where the proletariat learned its lessons. The class learnt from its mistakes and shortcomings.

In not establishing standing organisations to supervise the implementation of promises and to defend the workers interests the workers deprived themselves of a rallying point once the strike committees were dissolved. They failed to realise that they had to fight the state constantly and

in a prolonged battle and set up for that purpose permanent bodies to defend and extend their rights. Instead they fought individually some manifestations of exploitation and were content with promises for their removal. Hence the implicit faith they placed in the official unions, party and state once they were purged of wrong elements. This faith was epitomised in the slogan they gave to Gierek: "If you help us we will help you!". The ultimate defeat of the strikes taught them that instead of placing faith in reform by others they themselves ought to fight for them and that the struggle was to be a permanent feature of worker-state relations and hence needed permanent independent organisations.

The weapon of strike action used by the proletariat was far from perfect and had certain critical weaknesses. First: it lacked a central directing and coordinating organ and second strike action was weakened by the engagement of struggle like rioting and disorganised street fighting which exhausted the workers and invited repression when they were least prepared to meet it.

The decisive role in bringing home these lessons to the class was played by the KOR (Workers' Defence Committee). Led by anarcho-syndicalists and composed of numerous non-communist ideological trends the KOR was founded in the wake of 1976 struggles as a human rights group and soon became the point of contact between non-Catholic anti-State intellectuals and working class militants. Besides organizing aid to strikes and workers retrenched for political and union activity and disseminating information, they published the illegal newspaper *Robotnik* which played a key role in linking up worker activists, exchanging experiences and ideas. A milestone was reached when on the initiative of the *Robotnik* a document "Charter of Workers' Rights" was formulated with the participation and approval of worker activists in the middle of 1979. This document summed up the principal lessons of the past struggles, drew a set of immediate economic demands, formulated the need to use the strike weapon effectively and secure its fruits through monitoring of implementation of agreements, the need to use existing labour institutions for agitation, and build a circle of worker activists working with a programme. The most important task outlined by the document was the struggle for independent Trade Unions.

This document signed by scores of worker activists and *Robotnik* editors from about 23 industrial centres served as the model for the 21 Demands of the Gdansk MKS and the circle of activists built around *Robotnik* certainly played a significant role in organizing and spreading the strikes and formulating the demands of strikers. The significance of this document also derives from the fact that it was the demand not of any particular section of the working class but of the entire class and was the harbinger of the organization of the entire class.

The signatories and activists seem to have carried on agitational and propagandist work among the workers for the charter and principally the creation of independent Trade Unions.

The third major strike wave was begun in the summer of 1980 by the attempt to increase meat price by 30 percent and by the fear or of an increase in the quota of meat sold in commercial shops. The wave began in the Ursus Tractor factory near Warsaw spreading to Lublin where the strike was general and ended after 3 days in agreement for wage rise to compensate for price rises. The wave spread thereafter and gained in depth and breadth. An important role in this was played by the dissemination of information by the KOR and *Robotnik*. Unlike the previous strikes these were nonviolent and with workers occupying the premises of factories and insisting on negotiations. Each enterprise settled its dispute individually.

The strike wave reached Gdansk by 14th August and here, the epicentre of 1970 events, the strike was elevated to a new and higher level. The Gdansk workers apart from having learnt the bitter lessons of 1970-71 had also the largest number of activists who were also part of the

*Robotnik* circles. The 1979 document had the largest number of signatories from Gdansk (14) including Lech Walesa and Anno Walentinowisz.

The Gdansk strike began on 14th August 1980 in Lenin shipyard, which has the largest concentration of workers in Gdansk, to protest against the dismissal of a militant activist. The striking workers assumed control over the yard, created their own militia to guard it and establish order. The strike committee demanded reinstatement of the dismissed activist, a wage increase of 2000 Zlotys, erection of a monument to the martyrs of 1970, abolition of the special privileges of the police and secret services etc. This leadership given by the strongest section of the working class provided the necessary stimulus to activate the rest of the workers in Gdansk and in the neighbouring cities of Gdynia and Sopot. The strike became general in all the three cities by the 15th of August.

On the 16th of August the workers of Lenin shipyard rejected the separate agreement between their strike committee and the management and decided to continue the strike in solidarity with the struggle of the other workers, which depended upon the support of the numerically stronger and decisive Lenin shipyard workers. On the same day delegates elected by the strikers of 21 enterprises in Gdansk formed the Inter-Factory Strike Committee (MKS) which was to conduct the strike. No individual negotiation was to be allowed and the MKS was declared to be the only representative of the striking workers. After much deliberation the famous 21 Demands were formulated.

The movement thus crossed the critical threshold with the formation of MKS and formulation of 21 Demands. A predominantly economic strike became a political strike and the desperate and isolated struggles became united under a single regional leadership. The energies of the proletariat would not be frittered away but fully harnessed and thus it became invincible. It was a far cry from the riotous mass of 1970. The class had matured, acquired political consciousness and developed organizational forms to unite itself.

The 21 Demands of the Gdansk MKS was the product of no spontaneous outburst but of a long felt need thoughtfully discussed and clearly articulated by the working class militants in the *Robotnik* since 1978. The 1979 Charter had demanded among other things—free Trade Unions, right to strike, abolition of privileges, free Saturdays, wages to keep pace with prices, etc. Its signatories played a very important role in the MKS and the formulation of 21 Demands.

The principal demands—creation of independent and self-managing unions with right to participate in central planning, greater role for workers' council in management, protection for small farms and encouragement to cooperatives, right to strike, release of political prisoners, publication of true information on the state of economy to generate a public debate on economic reforms, abolition of privileges of party and police functionaries besides a set of economic demands including a 2000 zloty wage increase and the introduction of the 5 day week—were clearly political in that they entailed a change in the balance of class forces and were the demands of the entire working class of Poland not just of Gdansk. From that moment the Gdansk workers were fighting for the general demands of the entire class, the entire Polish proletariat fought for the Gdansk demands forcing the Polish state to concede them. This was rendered possible by the formation of MKS which organized the workers of three cities (Gdansk, Gdynia and Sopot). The MKS formulated the 21 demands and this unified the proletariat of the entire nation.

The strike wave gained further momentum and MKS were created in major strike centres, and where they were not created committees for solidarity with Gdansk were formed which threatened to strike if the demands were not conceded. A brief chronology of the strike

movement from 16th to 31st of August 1980 would indicate its momentum and strength.

- On 16th August the MKS was formed in Gdansk representing 21 enterprises.
- On 18th August the MKS represented 156 enterprises including those of Gdynia and Sopot which had begun the strike around 15th of August.
- On 19th August the MKS represented 253 enterprises.
- On 26th August the number was 388.
- On 18th August the shipyard workers of Szczecin struck work with demands similar to the Gdansk demands and a MKS was formed.
- By 20th August the strike had spread to Elblag (where an MKS was formed), Slupska and Ustka.
- On 27th of August workers of Wroclaw formed an MKS and struck work with similar demands.
- On 28th August a strike was in progress in two textile factories of Lodz employing primarily women, and at the Ursus Tractor Factory a solidarity committee had been formed which collected funds for striking workers.
- The decisive movement in the strike movement came when the steel workers of Katowice struck work in solidarity with the Gdansk workers forcing the state to kneel before the workers.
- On the 29th of August MKS had been formed in Bydgoszcz and workers of Odrzanskie struck work in warning for a day. By then there were five MKS—Gdansk (400 enterprises), Szczecin (200), Elblag (40), Wroclaw (43) and Bydgoszcz.
- On 31st of August the historic Gdansk Agreement had been signed and was followed by similar agreement with other strikers.

Isolated economic strikes coalesced to become general political strikes which set up their central organs to conduct the struggle. The success of the strike enabled them to transform these organs of leadership of strikes into standing organs of the workers and ultimately into free trade unions which also acted as the centre of political struggle of the class. This certainly reminds us of the formation of the first Soviets in Russia of 1905.

Thus the Polish proletariat constituted itself into a class. Here let us recall the words of Marx: "....out of the separate economic movements of the workers there grows up everywhere a *Political* movement, that is to say a *class* movement; with the object of enforcing its interests in a general form, in a form possessing general, socially coercive force". It is such movements that enable the class to develop organizations and forms of struggle for conquest of political power.

With the strength of such a powerful strike action the Polish working class won the 21 Demands. While being the common demand of the entire class these demands were merely democratic in nature.

The most important demand was for the establishment of self-managing trade unions free of party control. The existing unions had become instruments of anti-worker policies and were insensitive to the workers' demands. The experience of 1970-71 had shown that no change of personnel could help the workers. It became imperative for the people to build for themselves independent organizations. This constituted the first major step taken by the people to free itself of the tutelage of the revisionist party and organizationally articulate its antagonism with the bureaucratic capitalist state and party.

A second point in the Gdansk agreement which till recently had been hotly contested was participation of these unions in the central planning body to decide the allocation of national income between consumption and investment and of increased control by the workers councils, at the factory level over the management particularly in the appointment and dismissal of directors.

While corporatist in nature these demands were of great agitational nature. While there can

be no genuine cooperation of labour and capital such participation could become a forum of conflict bringing the question of seizure of power ever more immediately in the hands of genuine representatives of working class or in the hands of compromisers, exposing the impossibility of real workers' control without proletarian dictatorship. All the attempts by the leadership of Solidarity and the anarcho-syndicalists to pose these gains as real workers control would stand exposed.

Such a powerful and united movement of the proletariat could not perform its historic tasks and succumbed to the blows of a military regime. The roots of its defeat lay not so much in the overwhelming strength of the Polish army or the Russian army for that matter; they lay in Solidarity itself. The roots of its defeat have to be searched for in its ideology, organization, forms of struggle and political leadership.

The proletariat could smash the illusions spread by the capitalist state but could not emancipate itself from the petty bourgeois swamp. Surrounded on all sides by the petty bourgeoise the spontaneous movement of the proletariat accepted petty bourgeois ideology as its own and this ideology held back the proletariat from its historical tasks.

The essential nature of Solidarity is revealed in its economic programme.

Following closely the Titoite theories of "self-management" which they seek to enforce from "below" the Solidarity reformers advocate the notion that "social enterprises" (as opposed to private or state enterprises) are the highest form of property/management in socialism. This claim is based on the notion that they are managed directly by the "society" (i.e. the work force of the enterprise) and not by the state. "The workers council chosen by all workers ... will map out strategic goals of the enterprise. Among its task are decisions concerning the enterprise's lines of activity and development, plans, structure, regulations, personnel policy and distribution of profits, the signing of coproduction and export-import agreements, the nomination of general managers and unlimited control over the enterprises' economic activity." These councils will run the enterprises with a policy based on profit motive, "enterprises will be governed by the profit motive and not planned targets". Thus the centralized planning will be "demolished" and such plan would confine itself to be used by government to encourage enterprises to abide by them "through such economic measures as tariffs, taxes, etc.," and would in no way be binding on the enterprises.

Further "to make profit the motive force of an enterprise's economic activity... banks must be self-financed so that they are interested in giving credits only to those enterprises which are profitable and guarantee to return the loan."

While investment would thus be determined by profitability in market the wages would be related to the same ("related" because there would be a guarantee of a "basic minimum" above which the levels would be determined by profitability).

This did not preclude the existence of state enterprises—in Railway, Postal, etc,—or cooperatives with only "partial self-management" or private enterprises (both Polish and foreign) which in same sectors is supposed to be the only efficient form and where significantly there was to be no self-management.

The ideal of self-management enterprise so visualised is little different to one of reprivatized economy. Though the programme itself does not demand formal privatisation underlying current towards privatisation surfaced repeatedly in the Solidarity conference. Prof. Kurowski an expert adviser to the KKP of Solidarity came out with a package of economic reform proposals based on privatisation of the economy and was received at the conference with "thunderous applause". So high was the popularity of his schemes that none of the contenders to the post of Chairman

would make unequivocal statements regarding them and the only person to make a committed statement was Ruleweski who supported the proposals.

"The doyen of KOR (the Social Defence Committee) intellectuals, Professor Edward Lipinski (92) – a brave man who stood up to be counted when critics of the system were fewer and far between – lectured on the economics of socialism to a packed audience in Warsaw University's Auditorium Maximum, inaugurating this year's Courses of the Flying University, supposedly underground operation. While his critique of the present system was brilliant, his recommendation of Scandinavian socialism, Oskar Lange and the Harvard Business School provided no useful plan of action; Scandinavian socialism being an exceedingly expensive luxury few countries—certainly not Poland—can afford.

"Any way much has been learned from experience since Lange's vision of socialism as Capitalism without Capitalists in Lipinski's Harvard-guided socialism Gdansk ship workers would be unemployed like anywhere else."

Mario Nuto: "Pay low, live later" News Statesman, 14th November, 1980.

We shall examine the relationship between workers of an enterprise, the workers' state and economic management in socialism elsewhere. Here it might suffice to point out the capitalist content of the slogan of "self-dependence, self-governance and self-financing."

The independence of the enterprise in the market reinforces the fundamental contradictions of capitalism—between socialized production and private appropriation—for it is not the whole society as one unit which directly plans production or appropriates but the thousands of groups of workers controlling industrial enterprises related to each other by the market. The "society" meant by the Solidarity is simply the work force of an enterprise. So long as it is the market which links up different enterprises the production in the enterprises—whether managed by the capitalist or workers—would be determined by the law of value and not direct social needs. The workers as managers would emerge as the personification of capital and would be as much subject to the blind force of the law of value as any capitalist. The result would be subjection of labour to capital in the new form and a more mystifying one at that for the worker would be divided against himself—as a seller of labour power and as a capitalist—i.e. the worker would become a petty bourgeois. The anarchy of production and with it all other handmaids of capitalism would operate just as freely. It should be noted here that Solidarity wants to bring about from below that which the Polish revisionist state has been trying to bring from above since 1974. We call attention to the Pilot Enterprises set up by the State which were to be run on exactly same lines except that instead of the work force having autonomous control it were the centrally appointed managers. Gradually these Pilot Enterprises were to become the models for all enterprises.

This petty bourgeois syndicalist conception of socialism has nothing in common with the Marxist-Leninist conception. Marxists understand by the term socialization the ending of the independence of enterprises and hence of anarchy in production and seizure by the entire proletariat through its central mass organs (e.g. Soviets which replace the institution of bourgeois state) of the means of production and allocation of the productive labour of society in a centralized and planned manner having determined the social needs in a direct and not indirect way unlike in a market based system.

From this analysis follows the need for the proletariat to develop central mass organs capable of seizing State power and replacing existing bourgeois state structure the seizure of state power

through insurrection and further strengthening its own state power and extending its sphere of activity and leadership.

Solidarity has precisely the opposite plans. It does not visualise its own further development into a mass organ of proletariat—a Soviet—which would seize state power and economic power and run the economy of the society but instead wishes to retain the existing state as it is, though operating within a defined and restricted framework while the role of the Solidarity would be to force the state to concede to the "society" i.e. the factory councils, the regional administrative bodies and "family forms" power of self-administration. Thus it is not Solidarity but the small groups of workers who would wield the new power acquired. Solidarity is mainly an alliance of individuals of society to achieve for the individuated society self-government and management. Thus Solidarity posits its own self dissolution as a mass organ of the proletariat and the dissolution of the class of proletariat (class for itself) into individuated groups.

We shall presently see how this question determines Solidarity's character by studying three inter-related questions (i) Solidarity and the working class unity; (ii) Solidarity and forms of organization of the working class (iii) Solidarity and forms of struggle.

The novel significance of Solidarity for the labour movement lay in its attempts to transcend the limits of Trade Unionism. It established a fighting unity of the entire proletariat of the nation, put political demands and political struggle above economic demands and used the instrument of political strike with striking efficiency. However beneath this apparent strength lay seeds of self-dissolution.

Given the degree of centralisation of economic and political power in the hands of the state no economic or political problem can be solved at the local-factory or regional level and at each turn the working class confronts a cohesive and single enemy in the state and for that reason it is forced to organise itself on the national level and confront the state as one unified and cohesive force.

Herein lies the significance of the rout of federalism m the Solidarity conference and the state's refusal to permit the revival of Solidarity as a National body. Federalism was impossible in Solidarity so long as decentralization of the economy is not complete for no struggle could succeed without centralized action mobilizing the entire working class against the state which has to take all the decisions, conversely the state is at its weakest when confronted with labour organised not along industrial or local lines but along social and national lines for the entire might of the proletariat could be concentrated at single decisive points.

However in demanding complete decentralization of the economy Solidarity demands the liquidation of the material basis for a united and centralized proletarian movement. The decentralized syndicalist economy visualised by Solidarity could only have the effect of putting one section of working class against another—one factory against another.

Thus the present national unity of the class may well prove illusory. The present unity has behind t petty bourgeois (anarcho-syndicalist) consciousness and real national unity of the class is not possible so long as the class does not acquire mature proletarian consciousness and realise its function of centralising means of production, running the economy in a centralised and planned way and organising itself as the ruling class.

The different types of mass organizations of the proletariat reflect the consciousness of the tasks undertaken by the proletariat as well as the objective needs of the movement. While Trade Unions organise the proletariat in its struggle for economic demands and become the school of communism, the Soviets are the organ of seizure of political power and building of socialist economy.

We had remarked earlier that the formation of the MKS was analogous to that of the Soviets in 1905 and 1917 in Russia. The MKS were clearly the embryonic Soviets. They were the mass political organs of the proletariat in its struggle for the revolutionary transformation of the society. They alone commanded sufficient prestige and authority over the entire proletariat and activised its backward and weaker section and became the rallying point for the peasantry. The potential threat of transformation of MKS into an organ of insurrection led to the capitulation by the State. In conceding the 21 Demands the State also won in return the transformation of the MKS into a trade union which accepted the sacrosanctity of the existing state. The proletariat anyway did not bargain for more.

Yet the struggle could not be contained in or conducted through the union form. The movement saw itself as a social movement – a vehicle for the transformation of the society. The Union at once was also the mass political organ of the working class. This was reflected in the structure of the union which was organised not on industrial lines but on regional and national lines and had an emphasis on central organs thus organizationally combining the features of both trade union and a Soviet. These features became more pronounced in the National conference with the defeat of the federalists.

The economic crises had become so deep and general that it became impossible for the economy to continue on the old basis and both the proletariat and the state capitalism could not live or exploit in the same way. Once the proletariat had won independent organization and realised its own organised strength it was impelled by the objective need for structural transformation towards seizure of power. This required a Soviet form of organization and only the Solidarity union could develop in that direction. Thus the objective necessity impelled the movement towards seizure of power and Solidarity towards becoming a Soviet. Yet consciousness lagged behind. The anarcho-syndicalist conception of the tasks prevented the transformation of Solidarity into a Soviet and carrying the movement further on to insurrection. Yet the combination of features of Soviet and Trade Union in Solidarity—its being both a political and economic mass organ of the proletariat made it too dangerous for the ruling class and as such there were only two alternatives before the Solidarity: either to become a Soviet and seize power or itself get suppressed and reduced to a mere Trade Union. The former it could not do and the latter is what happened.

The central question in any political struggle is of course the question of state power. Meaningful reforms and concession can endure only on the basis of organised power of the working class. The highest and most concentrated form of power is State power—the organs of force used by one class to suppress other classes. Thus fundamental political and economic reform for the advancement of the proletariat can be guaranteed only when the proletariat controls State power and has smashed the armed resistance of the bourgeoisie. The very logic of the organised proletarian movement impels it towards this goal. A movement dooms itself when it regards reforms as being guaranteed by bourgeois law, state or even its own power and abandons the struggle for State power. Thus all forms of the revolutionary movement – general strikes and demonstrations can only wrest temporary reforms and concessions to dampen the movement and unless they seize state power through insurrection not only further gains would be impossible but even the reforms conceded would be withdrawn.

The Polish experience strikingly demonstrated the potentialities and limits of general strike as a weapon of struggle. The wave of strikes spontaneously begun wrested important concessions from a threatened beleaguered state and on the basis of the power of these strikes Solidarity came into being which organised the entire class under one banner. Once organised thus the threat of

strike and token strikes could suffice to wrest further concessions. That is so long as the state did not mobilize its full force and armoury through a martial law. Once that happened general strike became outdated and with it its organization. Instead of pre-empting a military role by seizing state power the class relied on old forms of struggles and the goodwill of the state before it learned the lesson at the cost of the movement. It once again demonstrated that the general strike can only be a stepping stone (a necessary one at that) to insurrectionary seizure of power and can never be a lasting guarantee of workers power and rights. Only state power with "the proletariat organized as the ruling class" can be a real lasting guarantee.

But then it is no longer a question of *forms* of struggle but its very *content*. It becomes the conflict between reformist and revolutionary lines of struggle. On the one hand attempts to win partial concessions without carrying out structural transformation but winning for the working class and autonomous internal functioning and similar autonomy for the economy (i.e., the commodity) from the state which would operate within defined and restricted boundaries.

The very forces that steadfastly opposed the building of socialism in Poland during 1948-56 today have assumed the leadership of the labour movement. The Roman Catholic Church, the anarcho-syndicalists, the reactionary nationalists all linked with United States imperialism cooperated in dismantling the proletarian dictatorship and socialism in 1956 and rejoiced in the act. The PUWP and these elements vie with each other to discredit, slander and attack Communism and present laissez faire capitalism and Titoism as the two choices before the working class. Yet there is a difference between the two. The PUWP represents the status quo and Soviet neo-imperialism while its opponents represent a change in favour of United States imperialism. A powerful and genuine mass movement of the proletariat has become an instrument of U. S. imperialism in its cut-throat competition with the USSR.

It is instructive to analyse the role of the three major oppositional tendencies in Poland: The Roman Catholic Church, the reactionary nationalists of the Confederation for Independent Poland (KPN) and the anarcho-syndicalist intellectuals of the KOR. These contradictory tendencies have converged on the platform of Solidarity.

As is recognised by everyone the Roman Catholic Church has been playing a key role in the Polish workers' movement and besides having considerable ideological hold over the workers the leadership of the Church has very close ties with the Solidarity leadership and since the imposition of the martial law has been assuming the function of spokesman of Solidarity. While the interests of the Church should be carefully studied any attempt at branding the Polish workers' movement as a movement instigated by the Church should be rejected. The material basis of the influence of the Church on the workers should be carefully unravelled.

The political record of the Roman Catholic Church is an unenviable one. A bastion of feudalism it has since become a staunch defender of reactionary capitalism whether in the form of fascism or large landed property. The history of its collaboration with fascism in Germany, Italy and Eastern Europe is too recent to be forgotten. As the largest single landowner, the Church opposed the land reforms in the first stage of People's Democracy and became an ally and agency of U. S. imperialism in the people's democracies. In the second stage of People's Democracy the Church emerged as the defender of the Kulaks in their struggle against the formation of the agricultural producers cooperatives of the poor peasants. The strategy of the Church was to defend private property in land as the first step towards the restoration of capitalism.

The symbols displayed at the First Solidarity Congress were the blending of religion and nationalism: Crucifix and the emblem of Polish eagle.

The delegates opened the Congress with the singing of the National anthem and a religious hymn.

Lech Walesa signed the August 31 agreement with the souvenir pen from the Pope's visit.

In its role as the defender of feudal reaction the Roman Catholic Church gained renown as the upholder of Polish nationalism. Historically identified with the interests of Polish landlords fighting against the westward expansion of the Russian landlords who belonged to the Orthodox Church, the Catholic Church was as severely hit as the lords during the 1864 reforms of tsarism. The tsarist autocracy in order to punish Polish landlordism for nationalism and undermine their economic basis permitted great concessions to the peasantry enabling them to expand peasant farms at the cost of the noble estates. Under the fascist Pilsudski regime Catholicism played a key role in seeking to detach the Catholic population of the Ukraine and Byelorussia from the Soviet Union for the formation of a greater Poland. The adulation of Lech Walesa both for Marshal Pilsudski and the Crucifix is thus understandable. Clerical nationalism then had a distinct reactionary content and had nothing in common with the aspirations of the Polish masses for state unification and independent democratic development. After the formation of people's democracy in Poland in 1944 reactionary nationalism assumed the form of anti-Sovietism and a struggle against the application of the general principles of Socialist construction developed and tested in the USSR. For these reasons the Church was discredited and held under suspicion by the class-conscious workers and poor peasants and their state.

The dismantling of the proletarian dictatorship and the abandonment of the Socialist road was characterized in Poland by decollectivisation, encouraging of Kulaks and bringing to power of reactionary nationalists. This policy was symbolised by the installation of Gomulka to power who had advocated the 'Polish road to socialism' based on 'rich peasant agriculture.' This created the necessary condition for forging an alliance between the Church and the revisionists against both the Marxist-Leninists of the Natolin group and the workers' councils established in 1955 directed against the proletarian dictatorship and now considered dispensible by the Gomulka-Spychalski group. Gomulka duly sealed this alliance with the Church in 1956-7 with a Concordat whereby clerical leaders imprisoned for counter-revolutionary activities were released, part of the church lands were restored, the Church was given representation in the Sejm and the educational activities of the Church were extended The Church was henceforward to serve as the loyal opposition. Such an institutional opposition was necessary with the restoration of capitalism for the absence of such channels of opposition could easily lead to revolutionization of the opposition.

"Why should not, for instance, the Catholic Progressive Movement compete with us in the search for the realization of forms of co-operative farming."

- From Gomulka's speech of October 21, 1956

It has been in this role of loyal opposition that the Church has participated in the recent movement. During the Gdansk strike the rapid spread of the strike threatened the foundations of the state, the Church appealed to the workers to scale down their struggle and the workers answered this with a more resolute struggle. Since then the Church has been systematically trying to convert Solidarity into a loyal opposition, urging that resolute struggle would invite a Soviet invasion.

The popularity of the Church among the workers arises from the fact that it offers the only cogent doctrine of opposition available in a situation where Marxism-Leninism (that is revisionism) appears as the ideology of the oppressors. The Church is the only opposition

institution which has been allowed to function and disseminate its doctrine. Christianity any way is not lacking in doctrines encouraging struggle against injustice and inspiring people with idealist stirring. It becomes palatable and acceptable to workers because of the faith it instils in the invincibility of the cause of justice. Under this guise the Church smuggles in the poison of reformism, passive 'opposition' and meek suffering in order to counter the revolutionary struggles. Thus strikes appear as expression of passive opposition rather than as schools of revolutionary insurrection. By highlighting the oppression and injustice of the system and posing a Catholic Solution the Church retards the development of a scientific cognition of the real material problems of Polish society. The Church surreptitiously encourages the economic programmes advocated by U.S. imperialism. Having achieved a partial political hegemony over the workers' movement the Church assumes the role now of a mediator and now of a spokesman of the proletariat and haggles with the state for a compromise and sell-out. To paraphrase the old saying the proletariat does the fighting and the Church steals the fruits.

Whose interest does the Church serve and what are its interests in the current movement? The Roman Catholic Church despite its huge property does not constitute a class. It represents today the interest of world capital particularly the U.S. and Western European capital who wish to see Poland if not 'pluralist' at least politically and economically dependent. If the controlled workers' movement succeeds it would establish pluralism and if it fails at least it would have destabilized the Polish state. Naturally they fear the attempt of the proletariat to seize state power for that would either result in the establishment of proletarian rule in Poland or in case the attempt is defeated it would result in the establishment of the monopolistic hold of Soviet neo-imperialism in Poland. They are caught in a situation where the strength of the Polish state is the guarantee of Western investments and the strength of the workers' movement a lever for extracting further concessions. Hence the attempts to keep the movement within bounds, propping up the state with loans and the refusal to impose any serious sanctions after the imposition of martial law. The Church is the instrument of this very policy.

The church thus demanded of the workers in August 1980 that they return to work. It has since been trying to edge out the 'leftist' elements from the leadership of Solidarity. It has repeatedly expressed opposition to the use of strike action as a weapon and instead has been calling for Christian suffering and passive resistance. It has systematically campaigned for the narrowing of the sphere of activity of Solidarity, particularly for its depoliticization. This nefarious influence of the church has been singularly responsible for the weakness of the resistance to martial law.

The Confederation for Polish Independence (KPN) formed illegally in 1979 represents a second Rightist nationalist trend. It calls for establishment of western type of "liberal democracy" but rejects revolutionary overthrow of the Polish State.

The third important tendency is Polish variant of Titoism. Anarcho-Syndicalism has had a chequered history. Initially, a part of revolutionary working class movement in Europe and USA, since the Russian Revolution Anarcho-syndicalism has become an important weapon in the hands of world capital to confront communism. Anarcho-Syndicalist trends in the Russian proletarian movement suffered resounding defeat at the hands of Lenin and Stalin, particularly in 1921-25. It was Tito who developed anarcho-syndicalism to its most vicious and counter-revolutionary form passing it as the true from of communism. Anti-Leninist-Stalinist forces everywhere seized this doctrine. Titoism particularly advanced the slogan of "Worker's Control" and it became the chief populist slogan in the hands of reactionaries during the counter-revolutionary upsurge of 1956, the slogan with which they mobilised the backward section of the

workers for dismantling the proletarian dictatorship. With the restoration of capitalism since 1956, the self-same slogans due to their association with mass upsurge, their populist appeal and the striking contrast they offered to bureaucratic centralism, became the rallying point for opposition trends. It became the platform for the unity of the various opposition trends, reactionary, reformist, "leftist" etc., aspiring to use the genuine discontent of the exploited workers to grind their respective axes.

Polish model of "Titoism from below" was advocated by J. Kuron and K. Modzelewski in 1965. They did not regard Polish State to be a capitalist state but a bureaucratic state where the interests of the bureaucracy determined allocation of social labour. They advocated an "anti-bureaucratic revolution" which would establish "Workers' control and self-management". It nevertheless, goes to the credit of these intellectuals that they did not bow down before mere academic expression and increasingly associated themselves with militant working class struggles which also won them eager audiences among workers. Since the foundation of Solidarity they have become one of its inspirers. They have long since abandoned the call for a revolutionary overthrow of the existing state and instead are content with winning "autonomy for civil society" and thus arrived at an understanding with the Church and the KPN.

Thus the main stumbling block for the Polish proletarian movement has been the absence of a genuine Marxist-Leninist party which could clearly set forth the tasks of the prolelariat at each stage: isolate and expose reactionaries and reformists and resolutely lead the class towards the seizure of power.

Today the Polish proletariat stands defeated. It was defeated despite its heroism and sacrifice and enormous strength because its consciousness and leadership failed it. It was defeated because world capital hastened to alleviate the deep crisis of Polish economy. This is not new to the crises-ridden history of capitalism. Yet again the proletariat shall rise in arms as Polish capitalism along with imperialism that to-day sustains it will enter another crisis. Whether then the proletariat will succeed would depend among other factors upon the ability of elements approaching Marxism-Leninism to build a Marxist-Leninist Party and win the confidence and support of the workers and poor peasants of Poland.

Let us salute the heroic Polish workers and dip the Red Flag in memory of the Martyrs.

# **Appendix: Rural Solidarity**

The movement for formation of independent organization of private farmers had been nurtured by a number of organizations like the Self-Defence Committee of Peasants in a number of regions, the Committees for Independent Farmers' Union and numerous Bulletins published by sympathetic groups.

These gained strength and came out into the open during the first days of the August strike and formulated their demands. After Solidarity gained momentum by December 1980, Rural Solidarity was formed and after some struggle was officially recognised.

We do not have any reliable information on its strength though the union figures assessed its strength to be less than 1/6th of all small farms in Poland in the beginning of 1981. Nor do we have any information on class basis and class character of Rural Solidarity and are forced to judge it from the few of its demands that have reached us.

The recurrent theme of the Polish opposition (Church, Solidarity, KPN & KOR & Rural Solidarity has been the preservation of the small family farm and antagonism to collectivization and state farms. The sixth point in the Gdansk Demands included aid to family farms "which are

the basis of Polish agriculture", equal access to means of production including land for private and state farms and creation of conditions for "recreation of self-governing cooperatives". Similarly the appeal to Gdansk workers by various peasant self-defence committees (August. 1980) called for agrarian reforms and said "we do not want a redistribution of land, but a new legal code, new autonomous institution and a genuine cooperative system". "The whole nation should be concerned about saving the family farm". These two themes of encouragement to genuine cooperatives and family farms perhaps show the contradictory character of the Polish peasantry.

A perusal of the principal demands of rural Solidarity for saving the "family farms" is enough to show that these are farms of Kulak families. The principal demands are for avenues for using up accumulated money capital in the hands of rich peasants and creating favourible conditions for farms producing for the market particularly the foreign market. Hence the demands for removal of restrictions on the purchase of land and machinery, an increase in purchase prices of agricultural products, a decrease in the price of inputs, the breaking up of the large state farms and selling their lands etc. (It is not a matter of chance that the martial law regime has proposed to raise the ceiling on maximum size of private farms by three times recently.) These demands in the context of a general demand for *laissez faire* economy characteristic of the whole movement could only pave the way and lead to further stratification of the peasantry and consequently depeasantization. Anyone understanding the laws of petty commodity production would only scoff at such measures for protection of family farms!

It can thus be suggested that the term "family farm" is a camouflage used by the rich peasants to rally the poor peasants behind them.

Significantly the demand for the establishment of cooperatives which alone can alleviate the misery of the poor peasant even partially has been pigeon-holed after its initial formulation in August 1980. The recent conference of Solidarity had nothing to say about cooperatives while reiterating the demand to shore up private farms which it claims were 'more effective than socialized economy' (Programmatic Declaration of the First Conference of Solidarity Delegates, Ch III, Theses 3 point 3).

Thus the opposition between the Polish state and Solidarity is only formal. Both want to develop capitalism in agriculture. Whereas the state wanted to develop it from above through large state farms and large Kulak farms employing wage labour, Rural Solidarity wants to develop it from below through expansion of Kulak farms in a *laissez faire* market economy ostensibly at the cost of large state farms but in reality at the cost of small peasant farms.

"For what does it mean to return to individual farming and to restore the Kulaks. It means restoring Kulak bondage, restoring the exploitation of the peasantry by the Kulaks aid giving the Kulaks power. But is it possible to restore the Kulaks and at the same time to preserve the Soviet power? No, it is not possible. The restoration of the Kulaks is bound to lead to the creation of a Kulak power and to the liquidation of the Soviet power, and it is bound to lead to the formation of a bourgeois Government. The so-called third path is actually the second path leading back to capitalism"

(—Stalin, Vol. 13, p. 248)

#### **DOCUMENTATION**

## 1. Right Nationalist Deviation in Polish Workers' Party

[Extract of the Resolution unanimously adopted by the plenary session of the Central Committee of the Polish Workers' Party. 1948]

The next period—the beginning of which is connected in internal policy with the defeat of reaction and Mikolajczvk's escape and in foreign policy with the creation of the Information Bureau as an indispensable form of co-ordination of all revolutionary forces for organisation of the counter-offensive against American imperialism—was notable for the Right deviation in the Party becoming more marked and in particular for a strengthening of the Right tendencies in the position of Wieslaw-Gomulka.

This can be illustrated by the following facts:

- (a) The ill-disposed attitude of Wieslaw-Gomulka towards the creation of the Information Bureau:
- (b) Orientation of automatism, the development of People's Democracy without a sharpening of the class struggle, especially in the countryside which in fact helped to strengthen the capitalists elements, gave the well-to-do peasants the opportunity to use the machine stations on equal terms with the poor ones;
- (c) A strengthening of tendencies to effect organic unity with the whole of the PPS (Polish Socialist Party) without purging the Right wing elements, ideological compromise over the merger with the PPS, unwillingness to see the danger of nationalist and opportunist deviations in the future merged Party;
  - (d) Toleration of the opportunist and eclectic cultural policy conducted by Bienkowski.
- (e) A wrong attitude of Wieslaw-Gomulka towards the principles of collective efforts in the leadership, contradicting Leninist principles of Party structure. a touchy and un-party-like attitude towards criticism and lack of any self-criticism.

The sharp re-emergence of the Right deviation in the Party occurred precisely at the period when the class struggle became sharpened and entered a new phase.

As the basic social and political reforms are progressively carried out and accumulate within the framework of People's Democracy, the countries of People's Democracy are passing to tasks the aim of which is to bring about Socialism, and this requires a further sharpening and deepening of the class struggle.

At the same time it is becoming dear that Socialism in the countries of Peopled Democracy can be achieved only through ever closer co-operation with the USSR, and that the defence of the sovereignty of these countries against the pretensions of American imperialism in conditions of the sharpening international situation also demands an ever closer co-operation with the USSR and with the countries of People's Democracy.

In this situation there is a speedy growth of a basic new contradiction between—

- On the one hand, the capitalist forces-which wish to freeze the present correlation of class forces (in expectation of a conjuncture more favourable to themselves), which desire a stabilisation based on preservation of the capitalist elements in the condition of People's Democracy, counting on their flexibility and a spontaneous generation of capitalist small enterprise—and
- on the other hand, all the class forces which are striving to promote the growth of the Socialist elements through the squeezing out and liquidation of the capitalist elements, the working class in alliance with the poor and middle peasantry.

It is precisely in these conditions, in the conditions of sharpening struggle on a wider basis

and under the pressure of the petty-bourgeois elements, that the Right deviation in the Party recurred.

The Yugoslav events also gave an impetus for the June speech of Wieslaw-Gomulka. If one links the events of the last three months (the attitude on the Yugoslav question, the speech at the June plenary session, the un-Party-like attitude to the criticism of the Political Bureau, Wieslaw-Gomulka's statement in conversations against the resolution of the Information Bureau) with the facts testifying to a Right nationalist deviation in the preceding phases, it becomes indisputable that these are not isolated or accidental phenomena.

Despite internal differences and vacillations, they constitute a system of Right and nationalist views, which, in the course of almost five years, have from time to time been manifested in the life of the Party, and which are directed against the fundamental principles of Marxism-Leninism and the finest traditions of the Polish revolutionary movement.

The failure to understand the essence of the ideological content of the relations between the countries of People's Democracy and the USSR, which reveals itself in Wieslaw-Gomulka's line of conduct, does serious harm to the interests of Poland and weakens her political position.

Without the complete annihilation of this anti-Marxist system of views, without the radical elimination of the Right nationalist deviation which might result in the Party being pushed onto the road of adventurism, ideological capitulation and national catastrophe, the Polish Workers' Party will not be able to bring about working-class unity on correct Marxist-Leninist principles, will not be able to solve the historical tasks confronting it—of building Socialist Poland and of advancing Poland to a leading place in the international front of struggle for freedom and progress.

The whole Party must, therefore, wage a resolute, uncompromising struggle against this Right nationalist deviation and also against any conciliatory attitude towards it.

A condition for the restoration of complete solidarity in the Party and the consolidation of its strength and political flexibility is not only to overcome the Right deviations but also to have firm and consistent self-criticism in all links of the Party, not excluding the leadership.

The core of the Party, under the leadership of the Central Committee, headed by the Political Bureau, adopted a Marxist-Leninist attitude, maintained indissoluble link with the working-class and its finest traditions, and offered resistance to the Right deviation both at the July plenary session and in day-to-day work.

All the same in the work of the Party leadership and in all branches, beginning with the Political Bureau, there were short-comings and defects, which, through consistent self-criticism, could have been quickly overcome and eliminated, namely:

- (a) Failure to estimate correctly the revolutionary forces of Poland and throughout the world, over estimation of the forces of reaction and adaptation to the mentality and prejudices of the petty-bourgeoisie, instead of actively changing them and struggling against them.
- (b) An impermissibly tolerant attitude towards isolated manifestations of the Right nationalist deviations, in particular towards Gomulka's statements; lack of vigilance in respect of attempts to gloss over the class struggle, especially in the countryside; and also failure to understand the leading role of the Communist Party of the Soviet Union (Bolsheviks) on the international front of struggle against imperialism.
- (c) Insufficient clarity on the question of the tempo of the People's Democracies progress to Socialism.
- (d) The Party's inadequate acquaintance with the experience of Socialist construction in the USSR, with the history of the CPSU (B) and its leading role in the world, with all the achievements of Marxist-Leninist thought...

#### 2. From the Statement of Gomulka

[Extracts from the statement of Gomulka, made at the plenary session of the Central Committee of the Polish Workers' Party 1948.]

The whole Party, all its members, should profit from the mistakes of individuals. The mistake of the individual comrades admitted and removed in time become a spring board for building up the strength and unity of the Party. The consciousness of the faults committed and the wish to strengthen the Party prompt me to make a self-critical assessment of my attitude both to the fundamental problems of the actual policy of our Party and to the matters connected with the tradition of the Polish workers' movement.

The essence of my faults which contributed to the danger of a rightist and nationalist deviation in our Pary was explained in resolution of the last plenary meeting of the Central Committee. This deviation found an expression in the first place in my statement at the June plenary meeting of the Central Committee which contained a false and anti-Leninist assessment of the past of the Polish workers' movement.

My statement at the June plenary meeting of the Central Committee has created the danger of a rightist and nationalist deviation in the Party. This danger was averted by the Political Bureau and by the Central Committee of the Party. A just assessment of the traditions of the Polish workers' movement was made by the July plenary session of the Central Committee.

The new stage in Poland's historical development required first of all an answer to the question, how to combat exploitation by rural capitalists, how to lead the countryside on to the road of Socialist economy? Without a proper answer to this question there can be no building up of Socialism in Poland.

The answer to this question can only be one, such as was given by the Cominform in its resolution with regard to the Communist Party of Yugoslavia.

Unable to show another effective way to achieve this aim and not agreeing with the road chosen by the Cominform, I supported in fact an automatic, elemental, unplanned development of conditions in the countryside and of people's democracy as a whole in Poland. Such an attitude was basically false and concealed many dangers both for the Party and for a further general shaping of social relations in Poland.

The resolution adopted by the last plenary session of the Central Committee with which I agree entirely, characterises the sources of my mistakes, which created a danger of rightist and nationalist deviation in the Party. The example of Yugoslavia proved best where such a deviation might lead our Party and Poland if it were not liquidated in time by the Party leadership. The nationalism of the leaders of the Yugoslav Party led it to a complete isolation from the international workers' movement, tore Yugoslavia away from the united front of people's democracies with the Soviet Union, and is pushing it down an inclined plane into the arms of imperialism. No country of people's democracy can safeguard its independence and sovereignty, develop and march towards Socialism without the closest co-operation with the Soviet Union.

In my attitude, comrades, elements could be detected of a wish to avoid the fight which cannot be avoided. You must derive from it, comrades, a guidance for yourselves. You must arm yourselves and the whole Party with an iron will to break all obstacles in our march forward, in the struggle which is awaiting us.

[N.B.—Gomulka was expelled from the Party in 1951 for his persistent Right Nationalist deviation—Ed Board]

### 3 Gomulka's Speech in 1956

[Excerpts from Gomulka's speech when he was first restored to power and as first Secretary of the Polish Workers Party after his release from Jail and rehabilitation immediately after the 20th Congress of the CPSU in 1956.]

... When I addressed the November Plenum of the Party Central Committee seven years ago, [See Document No 2—Ed Board] it was my last speech to the members of the Central Committee ... these years constitute a closed historical period. I am deeply convinced that those years belong to the irrevocable past. There has been much evil in those years. The legacy that the period left the Party, the working class and the nation is more than alarming in certain spheres of life....

The 20th CPSU Congress stimulated a turn in the political life of the country.... People began to straighten then backs. Silent, enslaved minds began to shake off the poison of mendacity, falsehood and hypocrisy The rigid cliches previously predominant on Party platforms and at public meetings, as well as in the press, begin to give place to creative living words. In the situation which arose following the 20th Congress when it wis necessary to act quickly and consistently, to draw conclusion from the past, to go to the masses with all frankness and to tell them the truth ... THE PARTY LEADERSHIP FAILED TO WORK OUT QUICKLY A LINE OF CONCRETE ACTION. It is necessary to change a great deal in our Peoples' Government, in the organization of our industry, in the method of work of the state and Party apparatus. It is necessary, in short, to replace all the bad parts of our model of Socialism. WE MUST TELL THE HARD TRUTH TO THE WORKING CLASS: WE CANNOT AFFORD ANY MORE SERIOUS WAGE INCREASES

With regard to collective farms, the basically sound ones should be assisted by repayable investment credits, and ALL THE FORMS OF STATE GRANTS SHOULD BE ABOLISHED. Collectives which have poor chances of development and which bring only *economic loss* should not be granted credits, BUT RATHER THE MEMBERS OF SUCH COOPERATIVES SHOULD BE CONFRONTED WITH THE PROBLEM OF DISSOLVING THE COLLECTIVE.... The joining of collective farms are voluntary. This excludes not only threats or psychological compulsion, but also economic compulsion. Tax assessments and the establishment of quota deliveries can also be instruments of economic compulsion. Why should not, for instance, the Catholic Progressive Movement compete with us in the search for and realization of form of co-operative farming? It is a poor idea to maintain that only communists can build socialism, only people holding materialist social views. ... I HAVE IN MIND THE ABOLITION OF QUOTA DELIVERIES WHICH CANNOT BE AN ECONOMIC FEATURE OF OUR SYSTEM...

How did it happen that our Party ... permitted the many distortions of the recent past to arise? ... It is contained in the roads leading to the construction of socialism, as well as m the shaping of a model of socialism. What is constant to socialism boils down to the abolition of the exploitation of man by man. The roads of achieving this goal can be and are different The model of socialism can also vary. It can be like that of the Soviet Union, it can be shaped in a manner seen in Yugoslavia. It can be different still. After the Second World War the Soviet Union ceased to be the only country building socialism.

Boleslaw Bierut, general secretary of the Polish Workers' Party died "suddenly" after his arrival in Moscow to attend the 20th Congress of the CPSU in 1956. Following this incident Khruschev rushed to Poland to reinstate Gomulka, who had been earlier correctly characterised as representing Right-Wing nationalist deviation in the Polish Party leadership

### 4. Solidarity's Programmatic Declaration (Draft)

Chapter I, II, III, VII in full

1. Who we are and where we are going?

The Independent Self-Governing Trade Uni on "Solidarnosc" arose out of the 1950 strike movement, the greatest mass movement in the history of Poland. This movement, born among the workers of big workplants in various regions of our country came to a historic turning point in August 1980 on the Baltic Coast. Within a year it has embraced all working milieux factor workers, farmers, intellectuals and craftsmen.

Quite simply, our Union started from the need, of our country's plain people, their sufferings and disillusionments. hopes and yearnings. The Union grew out of the revolt of Polish society which had experienced, in the course of nearly three decades, the constant breaching of human and civil rights . out of a revolt against ideological discrimination and economic exploitation. It was a protest against the existing system of authority

It was not only better living conditions that we were after, although living was poor and work was hard and very often fruitless. History has taught us that there is no bread without freedom. We also desired justice, democracy, truth, an end to the abuse of authority, human dignity, freedom of convictions, and the regeneration of People's Poland, not just bread, butter and sausage. All basic values had been too corrupted for us to believe that without reviving them anything could be changed for the better. The economic protest also had to be a social protest and the social protest had to be a moral protest as well.

This social and moral protest was not born overnight. Its heritage was the blood shed by workers in Poznan in 1956, and in December 1970 on the Baltic Coast, of the students revolt of 1963 and the events of June 1976 in Radom and Ursus. It included the heritage of independent actions by workers, intellectuals and youth, of the Church's efforts to retain values, of all the struggle for human dignity in our country. The Union has grown out of these struggles and will stay faithful to them.

We are an organization which unites features of a trade union and of a large social movement. This mixture defines our organization and our role in the life of the whole nation. Thanks to the creation of a powerful union organization Polish society has ceased to be atomized, confused and lost: uniting under the slogan of solidarity it will regain strength and hope. Conditions have emerged for a genuine rebirth of the nation. Our Union—the largest representation of working people in Poland—wants to be and will be the motor force of this rebirth.

The Independent Self-Governing Trade Union "Solidarnosc" unites many social trends, and joins together people of various outlooks and politics: creeds. We have been brought together through our protest against injustice, abuse of authority and the monopolizing of the right to define and express the aspirations of the whole nation. We have been united through our protest against citizens being treated as if they were the state's property, against depriving working people of their true representation in conflicts with state authorities, against patronizing rulers who know better how much freedom can be bestowed upon the ruled against rewarding absolute political obedience instead of initiative and independence in action. We have been united through our opposition to lies in public life and our refusal to accept the squandering of the results of the nation's hard work and endurance.

However we are a force capable not only of protest but also a force which intends to build a Poland of Justice for all. We are a force which draws on human values.

Respect for man must lie at the root of all actions. A socialist state must serve man and not rule him: the state must serve society and cannot be identified with one political party. The state must truly represent the common good of the whole nation. Work is for man, its sense lies in directing it towards man, towards man's true needs. The restoration of a proper hierarchy of these aims must form the basis for our national revival. In defining its aspirations Solidarity derives its values from the Christian ethic, our national traditions and the democratic traditions of the world of working people.

We consider the rule of the people a principle which must never be abused; the rule of the people must not be the rule of dominant groups selected from society, which attribute to themselves the right to ascertain the needs and represent the interests of society. Society must have the opportunity to speak its mind in full and express a variety of social and political opinions; it must have the opportunity to organize itself in a way which guarantees everybody a just share of the material and spiritual wealth of the nation and which releases the nation's capacities and creative forces. We wait a true socialization of the administrative and economic system. That is why our goal is a self-managed Poland.

We hold dear the idea of freedom and unfettered independence. We will support everything which strengthens the sovereignty of the nation and the state, favours the unhampered development of our national culture and the transmission of our historical heritage. We believe that our national identity must be fully respected.

Our union, which was created and has been acting in such difficult conditions, is following a path that nobody has trodden before. From the very beginning, all those who hold dear all matters of importance to Poland and who could not find understanding and support elsewhere, have turned to us. There is hardly a sphere in which we would not be expected to act, since we are relied on for our strength and social and moral authority At the same time we have to fight for our Union's existence, we have to organize ourselves at all levels and learn very often by trial and error—correct methods of operation and ways of fighting for our goals.

Our programme is a programme of struggle for the aims which we have set ourselves, a programme which reflects the wishes and aspirations of our society, a programme which has grown out of these aspirations. It is a programme which seeks to attain far-reaching aims through solving the problems at hand. It is a programme outlining our work, struggle and service.

### II. IN THE FACE OF THE PRESENT SITUATION IN THE COUNTRY

The birth of the mass social movement which is Solidarity has changed the country's situation essentially. It has created an opportunity for the development of various independent social institutions, ones that are being set up and the ones that have been so far dependent on state authorities and gained independence. The birth of organizations independent of state authorities should be considered an essential factor in the transformations occurring in our country's social and political relations. Thanks to this society can attempt to realize its aspirations and effectively defend its rights.

This has changed the conditions in which authority is exercised. In order to do the latter efficiently the authorities should have taken into consideration the will of society and acted under its supervision, in keeping with the principles laid down in the social accords of Gdansk, Szczecin and Jastrzeblie. Economic reforms and the reform of the state and its institutions should have been introduced. We had the right to expect the authorities to carry out such transformation.

The system of ruling the country which has prevailed up to now, based on unlimited authority of central party and state institutions, has brought the country to ruin. The process has been accelerated by the efforts to suppress transformations over the last year—even though it has

become impossible to rule in the old way – and is speeding up towards catastrophe. There has not been such a deep slump in the economy in peace time anywhere else in Europe since world war II. Society is weary, disappointed and impatient. It has shown a great amount of both patience and resolve over the past year. However, this weariness and impatience may run blind and either lead to a dangerous explosion or sink us in helplessness. We, as society, must not lose the hope that it is possible to climb out of the crisis.

Solidarity cannot hold back. Faced with a national tragedy, Solidarity cannot confine itself to expectations and exerting pressure on the authorities to keep the promises made in the accords. To society we are the sole guarantor of those accords. Therefore our Union has recognized as its duty the initiation of all immediate and long-term actions aimed at saving the country from collapse and society from poverty, discouragement and self-destruction. There is no way to do this other than to transform the state and the economy, basing ourselves on democracy and comprehensive social initiatives.

We are fully aware that Polish society expects us to serve its national, democratic and social aspirations. But it wants us to perform this service in a way that will let people live in peace. The nation will not forgive anyone his betrayal of the ideals Solidarity was born to fulfil. The nation will not forgive anyone should his actions—even those born of the best intentions—lead to bloodshed, or the annihilation of our spiritual and material heritage. Awareness of this compels us to fulfil our ideals gradually so that each successive task earns society's support. A sense of responsibility for the nation compels us to respect the power set-up which emerged in Europe after World War II and the position of our country in this set-up.

We want to effect the task of great transformations in a way which will not infringe our alliance with the USSR. These can be given guarantees more solid than hitherto. Motivated by a profound sense of dignity, of patriotism and of its own traditions our nation can become a valuable partner providing that it makes commitments on its own, fully conscious of what it is doing.

The situation of our country today compels us to draw up a programme of varied scope. To begin with, it must be a programme of quick actions, essential for setting through the difficult period of the coming winter. And at the same time, it must be a programme of economic reforms which cannot be delayed, a programme of social policy and of reconstructing the country's public life—a programme which leads to a self-governing Poland.

## III. THE UNION AND ECONOMIC PROBLEMS

The roots of the current crisis are to be found in the economic and political system, as well as in the economic policies pursued by the authorities. The latter, ignoring fundamental national interests, have blocked all attempts at reform and squandered huge foreign loans. A serious crisis, which began in the mid-seventies, has rapidly accelerated this year.

It is only very recently that the authorities have made an attempt to define programme to beat the crisis. This programme, however, has serious deficiencies and is inconsistent with the guidelines for reforming the functioning of the economy. Even the full implementation of this programme would not create the opportunities for relatively quickly overcoming the crisis. Therefore it is absolutely vital to introduce a decisive package of economic reforms as early as in 1982.

Our union was born when the crisis was entering a culminating phase. All we could do then

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<sup>1</sup> In the adopted programme this last sentence is replaced by 'The union does not support the programme.' [Ed. Board]

was to act in a way that would keep the social costs of the crisis as low as possible.

Our union must not permit the complete collapse of the economy, it must provide society with maximum protection from the effects of the crisis.

Thesis I—deals with planning, self-management and the market and it calls for the abolition of directives and centralized distribution as well as getting rid of the system in which the nomination of key managers is dependent on the political authorities. The running of a social enterprise, which is conducted by its own workforce, should be based on cost-effectiveness.

Apart from social enterprises, there should be

- —State enterprises
- —Cooperatives
- —Municipal enterprises
- Private enterprises
- —Mixed enterprises/including those with foreign capital.

Need to create anti-trust mechanisms and establish a movement for consumer protection. Necessary to introduce supply and demand mechanisms.

Thesis 2—speaks of the necessity to prepare for the coming winter and the fact that it has been placed immediately after the statements concerning self-management, an essential socio-economic issue, implies that the Union sees problems at hand besides the more general matters. Measures suggested control of distribution and protection of the worst off, but also "no" to "replacing the market by the distribution of goods in the workplaces".

Thesis 3—accepts foreign aid, suggests Poland rejoin the International Monetary Fund, advises giving more productive resources to private farmers as "private farming is more effective than the socialized economy", suggests top priority for mining equipment and a careful analysis of necessary plant shut-downs due to shortage of energy and raw materials. Although "working time has at present no essential bearing on levels of production" the draft suggests holding back from demanding more Saturdays off.

Thesis 4—consent to a gradual restoration of market equilibrium only within a programme to control the crisis, make price rises subject to the condition that the programme is accepted by the union through a referendum. It calls for the introduction of progressive income tax.

Thesis 5—particular care for *the poorest – increase* allowances while increasing prices but at the same time expand the wage bracket qualifying for allowances. *Compensation* should —as a rule—be *equal* for all, regardless of wage level. *Control of the cost of living* announced.

Thesis 6—*The right to work is universal.* 

The Union must *oppose reductions in employment if the authorities fail to evolve social guarantees* for persons temporarily out of work.

Thesis 7—food is the priority issue today.

Current rations are below biological norms. The Union must oppose barter by big work establishments.

Thesis 8—the economic crisis and reform be carried out through *supervision*.

The Union suggest setting up a *Social Council for the National Economy* under the auspices of the *Sejm to assess* the Government's economic policy and launch necessary initiatives in this field. Council members must have the right to consult society through the media.

## IV. THE SOCIAL POLICY OF A SOCIETY OF SOLIDARITY

Thesis 9—The Union strives towards achieving the population's most immediate goals. In line with the principle of the Union's territorial division social policy tasks should be carried out in the place of residence. Support rendered by strong *Factory Committees* should

promote the rebirth of *true local self-government bodies*. The Union's social policy and exchange of information on this question should be supervised by a permanent *Committee for Social Policy*, subordinate to the KKP, operating as a non-statutory advisory body. Each member of the Union should know his social rights as employee and citizen.

Thesis —Actions against unjust inequalities and undeserved privileges to be launched.

The Union to combat regional, occupational and sexual inequality.

The *elimination of privileges*, connected e.g. with position in the apparatus of power, may not bring financial saving, but can significantly improve the social atmosphere.

Thesis 11—The rights of families to be defended.

The Union shall support a "Solidarity of Families" Movement. It shall strive after flexible work shifts, help pregnant women in getting lighter work and propagate family guidance.

Thesis 12—The rights of elderly and disabled people be defended.

Old age pensions and disability benefits of the old portfolio should be gradually eliminated.

Thesis 13—on work safety—announces *ban* on work if safety standards are continually over-stepped and postulates *updating* these standards to match the International Labour Organisation norms.

Thesis 14—assign *health service* and the NFOZ/National Health Protection Fund/to territorial self-government units. Limit health service in workplants but improve local health centres. Places in sanatoria to be allocated only by medical centres. Restore "doctor's guilds".

Thesis 15—on the *environment*—stresses the superiority of social aims over production targets and calls for the establishment of a *Supreme Office for Environmental Protection* as well as an equivalent Fund—controlled by local self- government bodies. Necessity to publish *full information* on environmental pollution and nation's health.

Thesis 16—on *housing* stresses the right to possess one's own flat as one of the *basic human rights*. Transfer production potentials of industrial building enterprises to communal house building enterprises. Restore the *autonomy* of housing *cooperatives* and cancel housing projects carried out by big enterprises at the cost of cooperative members. Make *exchange of flats* easier by cancelling strict regulations.

Thesis 17—On participation in *culture*—stresses the necessity to take an *active* part in cultural life, through a *free choice* of ways to spend one's leisure and the *influence of users* on the activities of cultural centres. Self-financing cannot be a rule for all cultural institutions and centres. *Individual initiative* the only way to implement a social programme in conditions of economic ruin.

### V. SELF-MANAGED RESPUBLICA

Thesis 18—on pluralism.

The organization of public life should correspond to human needs. Respective changes will be mapped out by *self-governance*, *socialization* and *pluralism*. The Union is willing to cooperate with various social movements, this includes unions which cannot join Solidarity due to present legislation as well as the Independent Student Association and independent *Scout's Movement*. The Union also sees the possibility of co-existence with other trade unions.

Thesis 19—on workers' self-management, perceived not only as an instrument for overcoming the crisis, but also as *an essential component of the Self-managed* Respublics.

Thesis 20—self dependent local self-governments must genuinely represent local communities.

The political guarantee of local self-governance should be seen in *democratic elections* to People's Councils. The electoral law should guarantee organizations and groups of citizens the

right to formulate programmes and put up candidates. Non-affiliation to the National Unity Front should not interfere with that right. Specialized self-governing bodies should bb reestablished, e.g. *Social Education Councils*.

Thesis 21—On the establishment in the Sejm of a second chamber of a socio-economic nature.

It is necessary to set up a *Chamber of Self-management* in the Sejm which would have a *decisive say* on social and economic matters. This goes hand-in-hand with the need for a *new electoral law* to the Sejm.

Thesis 22—The legal system to guarantee civic and universal equality before the law.

This requires the implementation of international conventions and Declaration of Human Rights ratified by Poland, a clear statement in the Constitution of equality of citizens, the subscription to law of social and political organizations whose legal status must therefore be

subordination to law of social and political organizations whose legal status must therefore be set out in the Constitution, the creation of a sovereign *Constitutional Tribunal*, the up-dating of legislation on assembly, associations and travel abroad, full overtness of social life (restrictions in this context should be specified in a separate bill), changes in industrial legislation and the awarding to the Union of the right to draft legislation in the field of industrial relations and social benefits.

Thesis 23 —on *courts of law* underlines the necessity to make them *independent* through *judicial self-governance*, the abolition of terms of office at the Supreme Court, the direct election of assessors, the abolition of special courts and economic arbitration. Restore the position of independent investigating magistrate, confine the role of the procurator to that of prosecution and subordinate him to the Ministry of Justice. *Limit* the competence of *civil courts*. The future bill on the *militia* should prevent it from intruding on citizens' political life and subordinate it to social *control*.

Settle the question of *political prisoners*. Abolish Social Rehabilitation Centres.

Thesis 24—deals with protection of freedom of political convictions and includes direct demands: freedom for political prisoners and the release of people who have been arrested for oppositionist activity. It threatens to "use all means at our disposal" to protect the safety of trade union activists. People whose convictions prevent them from military service should be able to enter other kinds of public service.

Thesis 25—Persons guilty of offences against society must bear full responsibility.

The Union *demands* that as regards the events in Poznan in 1956 and on the Baltic Coast in 1970 the full circumstances should be revealed and the names of those guilty of opening fire on the workers be disclosed. This also applies to the brutal actions on the Citizen's Militia on the Baltic Coast in 1971, in Padom and Ursus in 1976 and in the Rydgoszcz provocation this year. The people guilty of plunging the country into ruin in the years 1970-1980 including top leaders of the party and the state, should also be held legally responsible for their actions, The Union *demands the unconditional implementation* of this postulate.

Thesis 26—on *culture and education* quotes Pope John Paul II who said that our nation "has only survived thanks to, its *Culture*". It states that so far culture and education have been used to impose uniform thinking and stresses the necessity to take care of rudimentary elements of culture – from kindergartens to copybooks, and also the need to codify this in new legislation. Abolish the project of a ten-year school and local collective schools. Introduce tax deductions for those enterprises which finance culture and start a Social Fund of National Culture. Establish Solidarity Culture and Education Councils. Help stop cultural decline in rural communities with the assistance of Individual Farmers Solidarity.

Thesis 27—supports *self-management in culture and national education and states that the* crisis in these spheres has been brought about by nationalization as opposed to the *desirable socialization*. Hence support for self-managed scientific associations, and for regional movements.

Announced: a trade union *publishing house* based on technical equipment which once belonged to the CRZZ (Central Council of Trade Unions) and preparatory work for the establishment of a *Solidarity University*. *Administration serves* culture and education.

Thesis 23 — on truth for national identity deems censorship temporarily acceptable except in culture and science where it should be out.

Announced: support for independent publishing initiatives. Particular attention to restoring truth in teaching *literature and history*.

Thesis 29—The mass media must be credible, self-governing and subject to social control.

The Union will take part in preparations of the social defect of a *press bill* to include all media a communication. It is necessary to introduce *social control* over the *distribution* of paper, allocation of broadcasting time and access to the *technical equipment of the radio and television*. The Union *demands* that the Bill on the Committee for Radio and Television of 1960 be changed. The Union will strive for the setting up of a managerial and executive body to exercise control over radio and television, with a decisive say on programme policy, composed of representatives of government, political parties, trade unions, and religious and social organizations. The Union will bring about an implementation of decisions on the mass media ratified by the KKP. At the same time, the Union *demands* that independent editorial offices of Solidarity be set up in central and local radio and television stations. It recognizes the right of editorial bodies to take part in decisions on nominating and recalling editors-in-chief, just as the Polish Journalists' Association does. The Union will establish its own news, photographic and film agencies, as well as produce its own press, sound recordings and video-tapes. In line with Article 83 Bill 2 of the Polish constitution, the Union *demands* that possibilities for opening *Solidarity radio and television studios* be created.

# VI. OUR UNION

Democracy—based on subordination to the *will of majority, but respecting* the views of the *minority*—is the foundation of the unions' life.

Thesis 30—union members have the right to unrestricted expression of opinion and the right to organize freely for the attainment of common goals.

- 1. Region —plant organizations form regions which may be transformed territorially should need arise, by way of a referendum of the trade-unionists concerned;
- 2. Intermediate links—backed by union authorities, they shall provide assistance for plant committee, protect local communities and influence local organs of authority and administration;
- 3. Occupational, branch and other sections—shall help union authorities, protect the interests of professional groups without detriment to other groups. Basic tasks: collective bargaining, representing the interests of a given group inside the Union and vis a vis the state administration;
- 4. Agreements—between union units and members not provided for in the Union Statutes augment and enrich union work; while providing all the necessary conditions for their activities Union authorities should not organize them directly;
- 5. Expression and shaping of opinion—the union information network should compete with the party-and-state controlled mass media. Major tasks: increase to *I Million* the print-run of the weekly "Tygodnik Solidarnosc, establish a national daily and regional weeklies, introduce a

three-tier circulation system in all regions. Information units shall be self-financing. *Freedom of expression* shall be observed within the Union and editorial policies shall not be interfered with by respective union authorities except during protest actions.

Education related to information and propaganda is an integral element of the functioning of the Union and shall provide comprehensive knowledge and advice free from falsehood, omissions and ideological propaganda. Civic awareness, social initiative and self-education shall be generated by varied methods and means and in all communities. The Union's information network to establish links between all union members and units. Union education centres shall exchange experience and information.

Thesis 31—knowledge of *rank and file opinions*—imperative to decision-making and intraunion democracy. National Commission and regional committee appointed *teams* [activists and experts] for programme studies, poll members on the basis of postulates and ideas addressed to them by works committees and independent centres for social and occupational studies. The *polls* provide current information for the union leadership on the *popularity of ideas and* grassroot weight attached to problems, a basis for information and propaganda policy and proposals to be debated by representative bodies. Direct democracy through referendum to be introduced at all levels in the union, but with caution. Opinions used to endorse decisions must never remain anonymous.

### Thesis 32:

- 1. The realization of workers interests shall firstly be pursued utilizing such measures as do not disturb social order. Opinions and motions shall be submitted to the relevant organs of the state and economic administration and in disputes attempts shall be made to reach *agreement through consultation*.
- 2. Negotiations are undertaken when agreements cannot be concluded in which experts can participate.
- 3. When attempts at agreement fail the union authorities may organize *demonstration and* protest actions whose character depends on the causes not the addressee with every action having precise aims and good organization.

Collective actions include: demonstrations, protest actions, alerts and boycotts. These should not *entail economic losses*. *Strikes are a last resort*. The terms of their cessation should be clearly defined in each case.

- 4. Negotiations, protest actions, the scale of demands and final settlements shall be preceded by opinion pools and consultations. Union members shall be *informed thoroughly* about the effects of protests and negotiations. Society as a whole to be informed.
- 5. Unity of goals is the best guarantee of the peaceful co-existence of union members; *intra-union disputes and conflicts* to be solved through negotiation and conciliation; administrative and disciplinary measures are not recommended.

Thesis 33—all Union activities to be public resolutions and reports to be published. Union members to have full freedom to exercise their *right to criticism in the press and at meetings*. The criticized have the right of reply. Control is exercised through questions, votes of confidence and no confidence and through audit commissions.

#### VII. NEW SOCIAL CONTRACT

Thesis 34—Solidarity demands a new social contract. .

The Independent Self-Governing Trade Union Solidarity is a guarantee of the *social* contracts of 1980 and expects them be consistently implemented. There is no other way of saving the country but through the realization of the constitutional principle of national sovereignty.

The Union is elaborating its programme at a moment when the country is threatened with catastrophe. We cannot accustom ourselves to living in the crisis; we must get out of it.

Anti-Crisis Agreement

The anti-crisis agreement must ensure society's survival during the coming hard winter months. It must point to the road which leads out of the crisis. It must be the first test of cooperation between the authorities and society.

Agreement on economic reform

The agreement on economic reform calls for the cooperation of the authorities and society in radically changing the present economic order. The reform by their workforces in an economic system linking market laws to socialized planning. Hundreds of agreements signed by the government have remained on paper. The promises given to the working population by the authorities must he kept.

Agreement for self-managed and self-governed Poland

The agreement for self-governed Poland must define the directions and ways of democratizing public institutions, including the Sejm, and political, local, economic, judicial and educational authorities. The agreement as-implementation will define the correct relation between the citizens and the state.

The road to self-governed Poland is the only way for Poland, internally strong, to become a credible partner for other nations.

The Union considers the new social agreement to be indivisible, inter-related entity.

The programme of the Independent Self-Governing Trade Union Solidarity is, first of all a commitment on the part of the Union to the country. We expect that it will be accepted by society; no individual or group interests can be placed above the interests of the country. We are not of the opinion that we have the monopoly on truth. We are ready to talk to the authorities—in an honest and loyal dialogue and to look for appropriate decisions which would do the best service to the country and meet the interests of working people as employees and citizens.

Let it be an agreement focussed on the national, the democratic and the human. Around things which should not divide us.

(From the First National Congress Solidarity Delegates, *Congress Post* (Gdansk), Supplement, 30th September 1981.)

# 5. The SIEC network Position (Summary)

[The Siec-Network (Network for Co-operation and Information Exchange): This Forum was formed in April, 1981. It Comprises union representatives from major industrial establishments roughly one from each of the 17 Voivodships of Poland. It has acted as an expert Committee on economic reforms and formulated what is known as "Reform of draft of Solidarity's SIEC (Network)."

We print in the following pages the text of its position on economic reforms.]

The centralized socialist economy has ceased to function. Directives are not reaching their proper destinations and the bureaucratized administration is incapable of solving the simplest problems. The country is plunging into increasingly deeper chaos and crisis.

In this situation we present a draft of a comprehensive reform of our economy. Its aim is to restore the dignity of working people and general respect for all organized labour and to break the chains restraining economic initiatives.

This requires far-reaching transformation both in the central authorities and in the enterprises. It requires the demolition of the present system of centralized, planning, of

rewarding enterprises for meeting planned targets, of distributing raw and intermediate materials, investment and financial means according to the plan of employment and wage ceilings, of price setting and so forth.

The enterprises have to be self-dependent, sels-governing and self-financing.

### SELF DEPENDENCE

The self-dependence of enterprises can only be attained by a far-reaching reorganization of the central administration. The ministries of individual industries must be eliminated and finally replaced by one Ministry of Industry and Trade. The principle that enterprises are run by the central planning body should be dropped. The government should only have its own ordnance planning body. In addition, to prevent the government from monopolizing planning policy, and to ensure that society has a real influence on planning policy and that alternative plans are elaborated, a Sejm Bureau for Economic Analysis and planning should be set up. The central bank, a social Committee of Prices (to replace the State Board Prices) and the Central Bureau of statistics should be made independent of the Government and directly subordinated to the Sejm instead.

It is understood that a Provisional Office of Materials Management should be permitted to exist for a certain period. It would not have ministerial status but would be subordinate to the government's plenipotentiary and would have the right to a limited distribution of truly scarce raw and intermediate materials.

The status of the Council of Ministers has to be enhanced. The Council should be collectively responsible to the Sejm for the economy in its entirety and for each minister's actions.

To prevent the central administration from reverting into a bureaucratic machine and ordering the enterprises about, the principle should be introduced that the number of clerks and the budget for their maintenance (cut by at least half) is determined by the Sejm.

Instead of the minute planning of everything important and unimportant, the central plan should deal exclusively with the mapping out of strategic goals for the entire economy. This plan will cease to be an instrument for the management of the economy, since enterprises will be governed by the profit motive and not planned targets.

This plan will only be for the government, not for the enterprises, which will be able to work out their own independent ones. The government will have the right to direct the activity of enterprises towards the achievement of the central plan's strategic targets, but only in a way that will not interfere with their self-dependence —not through directives, but through such economic measures as tariffs, taxes, etc., which would only encourage desired activity.

It is time to break with the state practice of setting all prices and imposing particular suppliers and customers on enterprises. They should have full freedom to sign contracts at market prices. The state should retain the right to set maximum prices only for a few commodities (such as bread, milk, school textbooks). To prevent competing enterprises from organizing themselves into monopolies to the detriment of customers, a system of consumer protection is envisaged, defined in an anti-trust law.

By the end of 1981, all industrial enterprise unions must be eliminated, and their funds distributed among the enterprises or directed towards other purposes. The enterprise unions will have to be replaced with industrial enterprise associations, created in accordance with the will of worker **s** councils.

## **SELF-GOVERNING**

Self-governance in an enterprise means that the workforce and its representative — the workers' council are the highest governing body. It is time to finish with the organisational and

official dependence of general managers on administrative bodies and the party's NOMENKLATURA system. We must introduce the principle that only the workers' council can nominate and recall the manager, who in turn must be subordinate to it and must implement its resolutions while running the enterprise on a day-to-day basis. The workers' council, chosen by all the employees in universal, direct and secret elections, will map out the strategic goals of the enterprise. Among its tasks are decisions concerning the enterprise's lines of activity and development, plans, structure, regulations, personnel policy and distribution of profits, the signing of co-production and export-import agreements, the nomination of the general manager and unlimited control over the enterprise's economic activity.

Local self-government bodies [people's councils and other bodies representing the inhabitants of town and country] must be given full financial and organizational self-dependence. Changes need to be introduced into the electoral law concerning these self-management bodies. The right of putting up candidates should be restricted solely to political organizations, but extended to include trade unions and those citizens who have gathered the required number of signatures supporting their candidate.

### **SELF-FINANCING**

The practice of subsidizing planned deficits should be replaced with self-financing, which is to say that an enterprise's incomes [or bank credits] hive to cover all it. expenses. This means that those enterprises which work well will be able to develop, and the uneconomic ones will be threatened with collapse.

Wages must become related to an enterprise's profits so that the workforce can directly benefit from its own good work. This, however, means the workers in unremunerative enterprises would earn less, or that their livelihood could ever be threatened. Therefore, to defend the interests of working people we must introduce a guaranteed minimum wage fixed in the work contract, with the remainder of an employee's earnings dependent on profits. By decision of the workers' councils enterprises might also set up a reserve fund which, in the case of general insolvency, could assure the employees' wages. The minimum wage and the admissible wage brackets as well as indexing the minimum wage to the cost of living, will be determined in negotiations with trade unions.

To make profit the motive force of an enterprise's economic activity, a break should be made with the principle of giving each venture credit, however unremunerative it may be. We should return to the old practice of giving credits only to those who guarantee solvency. This would require changes in the banking system. Except for the control bank, which should bear responsibility for economic and market equilibrium and carry out emission and control, the remaining banks must be self-financing so that they are interested in giving credits only to those enterprises which are profitable and guarantee to return their loans.

### SOCIAL ENTERPRISES AND OTHERS

The basic type of enterprise will be the social enterprise. These will be the old state enterprises given full self-dependence, self-government and self-financing. The majority of municipal enterprises must function on this principle too.

The term state enterprise is reserved for those which will operate within the framework of the so-called economic infrastructure (Polish State Railways, Polish Post, Telegraph and Telephone, etc). Their self-dependence will be limited. Like the commercial banks and regional branches of the Narodowy Bank Polski (Polish National bank), they will also have self-management councils, whose competence, however, will be limited due to their partial self-dependence.

Councils of workers' self-management will not operate in enterprises based on private capital, either national or foreign which will enjoy full equal rights in the Polish economy, (From the First National Congress of Solidarity Delegates, Congress *Post* (Gdansk) No. II, 1st October 1981.)

"The issue is as follows: either we, the entire Party, allow the non-Party peasants and workers to criticise us or we shall be criticised by means of revolts. ... Either we abandon the official optimism and official approach to the matter, do not fear criticism and allow ourselves to be criticised by the non-Party workers and peasants, who after all, are the ones to feel the effects of our mistakes, or we do not do this, and discontent will accumulate and grow and we shall have criticism in the form of revolt." (Stalin, Vol. 7. p. 31).

### **Announcement**

of the Central Committee of the Party Labour of Albania, the Presidium of the People's Assembly of the People's Socialist Republic of Albania, and the Council of Ministers of the People's Socialist Republic of Albania.

The Central Committee of the Party of Labour of Albania, the President of the People's Assembly of the People's Socialist Republic of Albania, and the Council of Ministers of the People's Socialist Republic of Albania announce that in the early hours of December 18, 1981, in a moment of a nervous crisis, Comrade Mehmet Shehu, member of the Political Bureau of the Central Committee of the Party of Labour of Albania and Chairman of the Council of Ministers of the People's Socialist Republic of Albania, committed suicide.

THE CENTRAL COMMITTEE OF THE PARTY OF LABOUR OF ALBANIA, THE PRESIDIUM OF THE PEOPLE'S ASSEMBLY OF THE SOCIALIST REPUBLIC OF ALBANIA,

THE COUNCIL OF MINISTERS OF THE PEOPLE'S SOCIALIST REPUBLIC OF ALBANIA.

## **OBITUARY**

Early in the morning of December 18, 1981, in a moment of a nervous crisis, Comrade Mehmet Shehu, member of the Political Bureau of the Central Committee of the Party of Labour of Albania and Chairman of the Council of Ministers of the People's Socialist Republic of Albania, committed suicide.

Comrade Mehmet Shehu was born on January 10, 1913, in the village of Corrush of Mallakastra. After finishing elementary school in the native village, he continued secondary technical school in Tirana in November 1937. He went to Spain where he was enrolled in the 12th International Brigade. After the Spanish War in February 1939, he was interned in the concentration camps in France. In August 1942, he returned to Albania. In February 1943, he was appointed commander of the Third Partisan Detachment of Mallakastra, and in August of the same year, on the order of the General Staff of the Albanian National Liberation Army, he was appointed commander of the First Shock Brigade of the Albanian National Liberation Army. At the First Party Conference in Labinot, Comrade Mehmet Shehu was elected alternative member of the Central Committee of the Communist Party of Albania. At the First Anti-Fascist National Liberation Congress of Permet, he was elected member of the General Anti-Fascist National Liberation Council. In August 1944, he was appointed commander of the First Shock Division of the Albanian National Liberation Aemy.

After the liberation of Albania, highly evaluating his merits, the Party elected him member of the Central Committee of the Party and member of the Political Bureau of the Central Committee of the Party of Labour of Albania at its First Congress in 1948 and at all the other successive congresses of the Party of Labour of Albania. He has always been charged with important duties such as Chief of the General Staff of the army, Vice-Prime Minister, Minister of Internal Affairs, and since 1954 Chairman of the Council of Ministers of the People's Socialist Republic of Albania

THE CENTRAL COMMITTEE OF THE PARTY OF LABOUR OF ALBANIA, THE PRESIDIUM OF THE PEOPLE'S ASSEMBLY OF THE SOCIALIST REPUBLIC OF ALBANIA,

THE COUNCIL OF MINISTERS OF THE PEOPLE'S SOCIALIST REPUBLIC OF ALBANIA.

(Radio Tirana, December 18, 1981)