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# East Europe Report

POLITICAL, SOCIOLOGICAL AND MILITARY AFFAIRS

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CONTENTS

## ALBANIA

- Munich Source Discusses Present, Former Leaders  
(Heiko Flottau; SUEDEDEUTSCHE ZEITUNG, 9-10 Jul 83) ..... 1

## POLAND

- Commentator Ridicules Walesa's Harvard 'Speech'  
(Jerzy Lobman; TRYBUNA LUDU, 22 Jun 83) ..... 6

- Resistance Group Issues Political Declaration  
(POGLAD, No 9, 22 May 83) ..... 9

- Czestochowa Province Party Activities Reported  
(TRYBUNA ROBOTNICZA, 3, 6 May 83) ..... 15

Executive Board on Economic Progress  
Plenum of Czestochowa Residential Construction

- Provincial Party Activities Noted  
(Various sources, 14, 17, 20 Jun 83) ..... 19

Tasks in Party Work  
Citizen Matters in Party Matters  
Moral, Political Responsibility in Party, PRON,  
by Tomasz Persidok  
Implementation of Party Resolutions,  
by Andrzej Bialogrodzki  
Increase in Activities, Roles of Party Organizations,  
by Jerzy Jarkowski

- PZPR Demagogy, Leftist Dogmatism Assailed  
(Stanislaw Kwiatkowski; ZYCIE PARTII, No 4, 16 Feb 83) .. 29

Poland's Absence From Labor Conference Session Explained  
(Jan Wiszkielis; ZYCIE WARSZAWY, 23 Jun 83) ..... 35

YUGOSLAVIA

Federal Assembly Chambers Hold Sessions  
(Various sources, various dates) ..... 40

Federal Chamber on Stabilization  
Chamber of Republics, Provinces  
Foreign Economic Relations  
Conclusions on Stabilization Program  
Judicial Organs' Work Assessed  
Chambers Discuss Responsibility,  
by Bozidar Veljkovic, Momcilo Boskovic

MUNICH SOURCE DISCUSSES PRESENT, FORMER LEADERS

Munich SUEDEDEUTSCHE ZEITUNG in German 9-10 Jul 83 p 9

[Article by Heiko Flottau: "The Struggle for Enver Hoxha's Succession--  
Despite Enormous Human Efforts Ordered by the Party, the Country Remains  
Backward"]

[Text] Tirana, July--To the Yugoslav JAT airline, the weekly flights  
between Belgrade and Tirana are a nuisance duty. The old DC 9's are  
usually empty, and only official requests can move JAT to fly to Tirana  
with any kind of regularity. Today, Flight 480 starts out in rainy  
weather, and on this route that apparently poses some difficulties.

Following regulations, the aircraft has circled Lake Skutari, behind  
Titograd, from the southeast, has reached the Adriatic Sea and now makes  
a wide turn toward the shore and Tirana, but at the wrong altitude. A  
new approach is made after a fresh start and circling for 20 minutes;  
but something is still wrong. Tirana tower reports ground visibility  
of several kilometers; but when the DC 9 finally penetrates the low cloud  
layer, the airport is considerably to one side of the flight direction.  
Some maneuvers which appear unconventional to the layman finally enable  
the pilot to get back on course and the aircraft touches down in the middle  
of the runway.

"Voluntary" Reconstruction Work

In front of the small air terminal we see a banner bearing the words "Long  
Live Enver Hoxha"; inside, the same official whom we saw on our last visit  
18 months ago is still checking the passports. According to a member of  
the Albanian reception committee, he has been doing this job for a quarter  
of a century. That is only 15 years less than Enver Hoxha has been  
governing the country. In Enver Hoxha's empire, there is no great demand  
for change.

Despite the unconventional arrival, travel in Albania is hardly an  
adventure. Most of the roads are well paved in asphalt and are used by  
pedestrians, horse-drawn vehicles and trucks of the ancient Soviet SIL  
type or its Chinese copy. Those that still run do so at a rather slow pace,  
using enormous amounts of fuel.

Chinese equipment is used also in the textile mill in the town of Berati in central Albania. Six thousand workers, 5,000 of them women, work hard to produce colorful fabrics. We are told that dying the cloth after the Chinese patent takes 4 days. Now, however, the Albanians are said to have found their own method, and the dying process takes a mere 5 hours. There is an apparent effort to get rid of the Chinese legacy. New French equipment, still in its original containers, is sitting outside; but the planned expansion of the mill has not yet been completed.

Armies of people are working in the fields all over the country. Most of them are women. Only planting and harvesting appear to be mechanized to a certain extent; most of the other work is done by hand. Sixty-five percent of the population still lives in rural areas. Every Albanian man and woman is required to work--6 days per week, 50 weeks per year. This however obligates the state to find a job for everyone. This situation is not compatible with Western profitability calculations. Other criteria are in force in Albania: the idea is to tear the country out of its traditional backwardness, and physical human labor is the primary resource for accomplishing this.

These gargantuan efforts have definitely resulted in noticeable improvements in Albania, which in 1945 occupied an economic level similar to that of Eastern Anatolia and which at the time was treated by those in power as a floor mat. One showpiece of this progress is the huge irrigation facilities north of Saranda. The road to Vlora--130 km in length, of which 40 km are a bad gravel road--follows the sea coast with about 1,500 turns. Near Sasas a 1 km tunnel was dug through the mountain range, and water was diverted through it from the other side which now supplies olive and citrus groves in what was formerly barren chalk terrain. A memorial gives testimony to the thousands of "volunteers" who created this achievement, many of them with their bare hands.

Every student is required to do voluntary construction work 1 month out of the year. The party makes very sure that he fulfills this voluntary obligation. And it is well understood in Albania that prisoners, both criminal and "political" lend a hand in such projects.

Such a marshalling of forces is almost reminiscent of the Pharaohs' mobilization of human work potential. A prerequisite for making this sort of thing work today is the total organization of the state and the population as well as the will to modernize the country at all costs, including the use of totalitarian measures.

The Albanian concept of work is based on the strict interpretation of the words of Lenin and Stalin by Enver Hoxha. Albania's Communist Party is called the "Work Party of Albania" for good reason. Hoxha's birthplace in the southern Albanian town of Girokastra--where he plans to celebrate his 75th birthday in October with a folklore festival--is already a museum, dutifully produced on canvas by many Albanian painters, who have however reduced the scale of the true measurements. It is in effect a fairly sumptuous bourgeois dwelling, for the standards then in effect; and while

it was inhabited by two families, there was hardly an opportunity for young Enver to become infected with revolutionary ideas.

Enver Hoxha has been in the epicenter of Albania's political life for the last 4 decades. His political demise was proclaimed on several occasions. Even now, after Hoxha's long-term prime minister, Mehmet Shehu, died by "suicide" on 18 December 1981, after Enver Hoxha told officials in the summer of 1982 at his vacation spot of Pogradec on Lake Ohrid that his doctors had suggested that he take a rest, there are more rumors that Enver Hoxha had lost the internal power struggle and that he was merely occupying a show position for public consumption.

The only thing certain appears that the "number-two position," that of prime minister (which had been occupied by Shehu), has definitely become the property of Ramiz Alia, who, after Shehu's death, became head of state. Even during the partisan war, Alia was the politcommissar of the First Division; he has been a member of the Politburo for about 20 years, where he also acts as secretary for ideological questions. He went along with all important political detours made by Hoxha; in 1956 he went along on the trip to Moscow.

The reason for the rupture between Hoxha and Shehu is still a mystery to outsiders. Almost every time that high Albanian officials have lost their positions, the country's foreign policy stance was involved. However, Shehu appears to have punctiliously followed Hoxha's estrangement from Yugoslavia, his rapprochement with Moscow, his estrangement from Moscow, his brotherhood with China as well as the rupture with China. However, after the "destalinization" of the East Bloc Hoxha had to compromise by giving up the job of prime minister to Mehmet Shehu. Recently we have been hearing again the words of Peter Kemp, who was the British liaison officer in Albania during World War II. He wrote afterward: "Prime Minister Mehmet Shehu and First Party Secretary Enver Hoxha are confronting each other in a tug of war for the top job, which is punishing for both sides."

Albania expert Bernhard Toennes thinks that Shehu's decline started in 1980 when he was forced to give the job of defense minister to his then brother-in-law Kadri Hazbiu. Mehmet Shehu's position is said to have deteriorated further after Kadri Hazbiu's divorce from Shehu's sister and because Interior Minister Feqor Shehu had never been made a member of the Central Committee. However, Western reports, according to which Feqor was Mehmet's nephew, are firmly denied in Albania.

Among the 20 persons put under arrest after Shehu's death were, according to the news from Tirana, his widow and especially his 2 sons. Skender Shehu, aged about 32, was a student in Sweden at the time of his father's death. According to Hoxha, he was said to have become engaged to marry a young Albanian woman (per orders of his father, the Yugoslav intelligence agency UDBA and the CIA), who numbers among the members of her family several political emigres. After his father's death, Skender Shehu was apparently lured back to Tirana before the news was out and was arrested. Shehu's younger son, Baskim, 26, a graduate of the school of philosophy at

Tirana University, is apparently in jail also. He is said to be an unsuccessful author of movie scenarios. Others said to be under arrest are Kadri Hazbiu, Feqor Shehu and, surprisingly, the former minister of foreign affairs, Nesti Nase.

It is a revealing sidelight that Shehu's and Hazbiu's seats in the Politburo have not been filled to date.

While in the cases of Mehmet Shehu and his adherents a sort of house-cleaning appears to have taken place, other changes in the Albanian leadership seem to come under the heading of "rejuvenation." Thus the former nominal head of state, Haxhi Lleshi, and former minister for foreign trade Nedin Hoxha have been retired; nor were the departures of Rrapo Dervishi, minister of communal services, and Victor Nushi, minister of domestic trade, in any way connected with Shehu. The former chairman of the State Planning Commission, Pedro Dode, is now the party secretary for the Vlora district.

The only members of the old guard remaining in the Politburo, which now numbers only 11 members, are Enver Hoxha, Prime Minister Adil Carcani, Manush Myftiu, Ramiz Alia and Rita Marko; their colleagues are 6 officials who moved up as recently as 1977.

#### The Question of Power Is Still Unresolved

This party and government team could be considered to be the post-Hoxha-era team, if one were truly to believe that Hoxha is in failing health or that his power is a thing of the past. It is difficult to tell at this juncture whether there has indeed been a transfer of power; but there is indeed a different cast of characters. On the anniversary of the Congress of Permet on 24 May (where in 1943 the first provisional Communist government was formed), it was Ramiz Alia who gave the formal opening address. That would perhaps be less surprising if thereafter Ramiz Alia had not increasingly been in the spotlight, while Hoxha was seen less and less in public. At the end of June Ramiz Alia turned up in several places near the Yugoslav border, where he delivered speeches which had been carefully crafted by the ATA news service. The speech he gave in the city of Bajram Curri on 25 June had already been available prior to that date at Albanian foreign offices, translated into English and complete with Alia's photograph.

There is a new feature in Alia's speeches: he criticizes some economic failures. However, not a single speech is given without appropriate words of praise for Enver Hoxha. Especially in the foreign policy portions of his speeches, Alia has, at least until now, been trying to toe the Hoxha line. This is especially true of relations with Yugoslavia. In Bajram Curri, Alia reiterated Hoxha's dictum, according to which Albania has no territorial demands whatever on Yugoslavia. This appears significant because it is widely believed that Hoxha's relatively moderate views on the Kosovo problem had been severely criticized in the Albanian Politburo.

In the history of Leninist-Stalinist parties it would be most unusual if a first secretary would be nothing but an uninfluential frontman in the long run. This alone would make it appear logical that a clarification of the power structure--if indeed there is such a thing--would soon have to be publicly announced. In the past, Hoxha had always been able to neutralize his adversaries. The last of the great controversies occurred in 1974-75. At that time the then chairman of the State Planning Commission, Aboul Kellezi, was fired and later sentenced to a prison term because, according to the official Tirana version, he had attempted to introduce some sort of autonomy in the country's oilfields. Punishment was meted out also to Tirana's party chief, Fadil Pacrami, and TV chief Todi Lubanja for cultural deviations. Minister of People's Defense Beqir Balluku was executed. It is said in Albania today that he had occasionally made pro-Yugoslav statements and that in his defense concept he had advised the citizens to retreat to the mountains and to conduct their defense against invaders from there.

To Enver Hoxha, this idea must have been tantamount to defeatism. Since 1975, he has covered Albania between the Adriatic Sea and the Greek and Yugoslav borders with thousands of bunker-type dugouts. These concrete monuments of Hoxha's reign are meant to give testimony to the Albanians' will to resist; but they are in effect testimony to Enver Hoxha's triumph at that time and to his determination to never give up an inch of ground--neither to a foreign enemy, nor to a rival at home.

9273

CSO: 3620/408-A

COMMENTATOR RIDICULES WALESA'S HARVARD 'SPEECH'

Warsaw TRYBUNA LUDU in Polish 22 Jun 83 p 6

[Article by Jerzy Lobman: "From Academic Life at Harvard University"]

[Text] The text of the speech delivered in Lech Walesa's name at Harvard University's graduation ceremonies has been made public on U.S. Polish-language broadcasts. They did not neglect to emphasize, in accordance with the sensational atmosphere which usually surrounds everything connected with this personage in these broadcasts, that this text was transmitted to the organizers "at the last moment," thanks to the mediation of the United States Embassy in Warsaw, which in turn had received it "from friends of Solidarity," and therefore without the author's direct, official participation.

The vocabulary used, the range of concepts, and the style of this document are so fundamentally different from all the texts known to be Walesa's original speeches that they strike one dumb with amazement. However, let us leave concern for a formal exegesis of the authenticity of the text to learned philologists from Harvard, many of whom must have been among the audience during the university's ceremonies, and rather, give thought to the merits of the content presented in Walesa's name. One must admit that in its negation of all the achievements of People's Poland and its hostility to our system, the content totally corresponded to the stance of the radical section of leadership of the former Solidarity union, and it also must have satisfied at least the expectations of that learned part of the audience which in 1972 benefited from the \$2,736,000 handed over to Harvard by the Pentagon for research connected with Reagan's aggressive arms program.

The annual speeches of invited guests during graduation at Harvard have, in accordance with U.S. tradition, the character of an "academic paper"--a work of scholarly qualities. The kindest thing that one can say about the speech read this year is that it strays far from scholarly fairness and objectivity.

The speech expresses the view that before 13 December 1981 "dialogue pre-dominated" and that the "imposition of martial law brutally showed the limit of progress that can be achieved today in Poland." In another place it is affirmed that "our union employed peaceful forms of struggle for achieving its goals," that "no stone was to be thrown and no window was to be broken."

Thus let us recall the facts. On Polish television screens (and on American ones as well, for that matter) we saw in the past period more than one act of violence, if nothing else, then in forcing sit-down strikes on those parts of the staff which did not want to participate in them. What is more important, we all remember, is that to the authorities' regularly reiterated proposals for dialogue, the answer was a "strike pistol" aimed at the government, that the leaders of Solidarity interrupted or broke off discussions on any pretext whatever, and that the answer for every proposal for compromise was the escalation of the most fantastic, unrealistic demands. Let us recall, finally, that during the Radom session, Lech Walesa stated the subject of these discussions, which Solidarity conducted for tactical reasons: "We are tearing this system to pieces, these discussions are only a matter of seeing who can outsmart whom...there will be a confrontation...at some time we will be caught up in it, if only we do get caught up in it, and if only we're the stronger!... From the beginning there was a thumbing of the nose. I knew about that well... No power can manage a change in the system without getting punched in the jaw..." and so forth. In this context surely one must admit that the statement about the "predomination of dialogue" and about blaming the other side for its ineffectiveness has no scientific foundation.

Let us consider another matter--the statement cited above about the limits of progress in Poland, reinforced in another place in the speech by the assertion that the period of intense activity of the leaders of the former Solidarity was the "starting point for introducing elements of realism to the processes taking place" in Poland.

Was it an element of progress that the activities of the former Solidarity union caused a drop in coal extraction by almost 23 percent in 1981 as compared to 1979? Or was it perhaps the general decline that year in work productivity by 12.2 percent? And perhaps the decline of national income by 13 percent, a decline not encountered in postwar times in any other country? And was it proof of realism that in such a situation the population's monetary income simultaneously grew by 27 percent? This growth was brought about by strikes and was in no way justified given the sharp decline in productivity, a fact which was the main reason for the complete decompression of the market and for all the difficulties which thereafter fell on society. What scientist would call such phenomena "progress" and "realism"?

Of course the text of the speech did not lack assertions about the "idea of tolerance" which allegedly characterized the activists, in whose name the above statements were directly presented.

The most eloquent testimony to this tolerance can be given by union activists who had the courage to defend their views and were wheeled out from work establishments in barrows, by journalists and politicians who held different opinions from those advanced by the extremists and who were subjected to intense attacks, and by the Solidarity activists who were slandered and discriminated against for daring not to share even some of the views of the most vocal of their colleagues in the "movement."

The above commentary does not mean that the text read at Harvard has no cognitive merits. In places it says a lot about its author (authors?), especially in the part where his "irrational class instinct" and "class consciousness" are scoffed at; apparently these traits are ascribed to workers only by the "dogmatists." Here it must be admitted that these concepts were, and, as one can see, remain foreign in the circles whose views the text is supposed to represent. Only why, in that case, did these circles claim leadership in a workers' union? This is the problem which will have to be solved by Harvard sociologists, who know, after all, that today the concept of "class consciousness" is not at all acknowledged in Marxist thought alone. It is the definition of a universally known phenomenon, to which progressive and conservative scholars can have a different attitude, but the existence of which no reasonable person in the world denies today. American listeners will have enough time for such considerations. For the "learned paper" delivered at the graduation ceremonies of their school did not reveal any cognitive merits, especially in Polish matters. Aside, of course, from primitive propaganda, which is far from "scholarship."

9451

CSO: 2600/1020

RESISTANCE GROUP ISSUES POLITICAL DECLARATION

Berlin POGLAD in Polish No 9, 22 May 83 pp 24-28

[Article by WSN Founding Group, 1 and 3 May 1983]

[Text] For Liberation

Poland is ready for liberation. Totalitarianism has left the crisis--it has entered a stage of degeneration. Poles want to live in freedom. They have the right to an independent and democratic Poland. This is our ultimate political goal.

We need a far-reaching liberation movement, fighting program and freedom. This program must be in agreement with moral principles and justice. WSN [Freedom-Justice-Independence] follows in the steps of Polish political thought that has strived for independence, democracy and social justice--above all PPS [Polish Socialist Party] at the turn of the 19th and 20th centuries.

The task of WSN is to solve Polish political problems. Summoning the traditions of PPS and other groups toward this end, we are not acting in this way to continue them directly, but rather we regard their output as abundant and helpful. From the heritage of PPS, we accept the fundamental ideals, ethical principles and rich experiences of battle.

Our effort is directed toward the future and serves its approach.

Why WSN?

Collapsing totalitarianism is becoming more and more of a threat to the world. It threatens the life, health, safety and dignity of Poles. Each person, family, group and social level. All of society. It wants to take from us our right to the future.

There will be no "normalization" in Poland. Poles want justice and oppose the breaking of law and exploitation. Poles want independence, they want to decide their own fate and they want to render the state and the economy independent of colonial dependence. They want to be free in a free country. Freedom, justice and independence are inseparable.

The will of liberation is growing. This must find a proper form for itself so that society will not fall into a state of nonconvertible apathy and aggression nor spill blood in the chaotic explosions of uprising.

It is necessary to offer a direction, a plan and a sense of social activation. People of similar ideas and goals should understand each other and work together. We must create a political program containing a picture of future systemic, social and economic order in a free, reborn Poland, as well as a picture of the way to it.

Independent of whether in the near or far future there will be in authority political concessions or a rationalization of the economy, there should develop in society a formation of universally held ideals of freedom. This formation should act on a plane other than that of a union, but in natural coalition with NSZZ Solidarity.

We must build today a social and national consciousness and prepare ourselves for further, more difficult work and fight, which are the guarantee of obtaining our goal. We have to be clear and open about our goal. Together we have to take up the activity begun by PPS during the Polish Rebirth 65 years ago.

We reject minimal essentials and imperfect programs that deceive with unreal visions of agreement, leading to capitulation through the strength of opponents. We support social self-help, self-education and similar forms of resistance, but they alone are not enough. We must act against not only the results but also the causes of evil; they must be removed.

We want WSN to assemble people prepared to work through a long and difficult period, always with the awareness of the final goal.

#### Basic Ideas

1. Our principal ideal is freedom for the unit and the person. This is freedom raised highly by Christian ethics and all of European culture.
2. From the principle of freedom come nontransferable human rights: the right to dignity, to one's own convictions and beliefs, to development of one's personality and to full participation in every area of social life. Organizations of society and state must be ancillary to these rights, whose total gives human subjectivity.
3. We declare ourselves for the subjectivity of the social unit, group, community and level, and for pluralism and decentralized administration.
4. The foundation of national existence should be the self-organization of society. Resolution of social problems and defense of justice should be taken up from the ground level by created self-management units, societies, unions, federations and social movements. This is guaranteed by the authenticity of collective life.

5. The sovereign in the state can only be society and the nation.
6. The economic system must serve the needs of society and work emancipation. It should guarantee workers' subjectivity. Work should serve mankind and production means should determine its management. Not to be tolerated are compulsive work, breaking the workers' dignity or exhausting their physical and psychological strength.
7. We call for tolerance and respect for national, religious, cultural and political minorities. We are against dictatorship of the majority.
8. All nations have the nontransferable right to self-determination and to their own independent state. Borders should not divide people--we are for a free and open Europe.
9. WSN rejects any policy that supports a fight for authority in the name of group or universal interests, as well as the observance that the means justify the end. We recognize as obvious the necessity to observe moral principles in politics. We declare ourselves for partnership with strengths and groups in the social fight and for public goals and means of action, limited only by the requirements of tactics and secrecy, as long as it is necessary.

#### Establishment of Program

Only organized and conscious workers, farmers and the intelligentsia, together with other social layers, determine Poland's political strength. Workers from the large plants are the motor of our contemporary history. Only a solid effort with them by all of society can bring the fulfillment of social and national goals--justice and independence. Poles need a "universal understanding," as Edward Abramowski wrote in 1905. Needed are various forms of resistance and fight.

The basis for organizing society and the state should be above all Sejm, called in free elections and also self-management structures, concentrating citizens in various political, professional, territorial and other areas. On more important matters, citizens should decide directly, voting in national, regional and community referenda. Parliamentarism and self-management will guarantee to each citizen participation in the formation of social order and in the creation of law and the control of economic life.

The future constitution should guarantee the universal rights of mankind and the citizen, created through European tradition and included in UN documents. The guarantee of democracy will be broad authorization of self-management organs, freedom of speech, organization, manifestation and strikes, personal inviolability of the citizen and independence of law and the courts.

We extend the principle of sovereignty to international relations. Poles, as a nation desiring sovereignty, have the right to partnership relations

with other nations, among them with the Russian nation. In the future, despite the current monopoly of the authoritarian regime, this society will constitute representation of Poles with respect to relations with Russia. Poland's *raison d'etre* requires friendship with neighboring nations--with Lithuanians, White Russians, Ukrainians, Slovaks, Czechs and Germans. We hope that the bonds of true cooperation could bring Poles nearer to the nations of central Europe, whose geopolitical situation is similar to Poland's. We view as a moral obligation the support for their free and state demands in the name of universal solidarity.

### Work Emancipation

We live in times of compromise of many economic orders, the head of which is the system of state monopoly and central planning, which has particularly dramatically affected the fate of the Polish economy. The system of state monopoly was once the goal of certain groups of leftists--we reject it outright. Also compromised by history was complete economic liberalism, which led to injustice, opposition to the principle of equality of opportunity and definitive crises. We must build again in Poland an economic order, basing it on a foundation of ethical and economic principles.

The market mechanism and the principle of efficiency and profit should be required in the economy. Profit should be divided fairly. The right to a higher job and a higher share of the profit should be warranted for especially difficult work, dangerous work or work harmful to one's health, as well as for work requiring education and exceptional initiative and responsibility. The state should guarantee to everyone a minimum means for subsistence and the right to work, but not through a fictional kind of employment, and also through the effect of an increase in economic competition.

The variety of forms of one's own means of production will serve work emancipation. One's own self-management (self-management for workers, territorial and other self-managements), cooperatives, private outfits, state outfits. One's own property is always restricted by rules, so that one cannot own something for the sake of owning it. The large enterprises should be governed by personnel self-management organs. We feel that core administration of the economy by self-management organs is a historical experiment, whose introduction gives hope for a completely new, just and justifiable economic order.

In the new system, the trade unions should have complete independence of action in accordance with international labor law. The economy should find itself under the control of society and watched by its organizations, law and courts, as well as by political institutions and Sejm.

### Our Geneology

Our tradition is above all the Polish Left, based upon Christian and absolutely ethical principles; humanitarian, democratic and independent. We emphasize strongly that the word "Left" is free of its historical

burdens. Totalitarian dictatorship and "real socialism" are extreme negatives of the Left.

Close to us are the foundations achieved in its history by PPS during its fight for moral rebirth and the development of social consciousness while striving for independence and freedom under the partitions. It helped to create the Independent Republic during 1918-1920. It helped to write the March Constitution of 1921, one of the most democratic in Europe. It fought for justice, democracy and self-government through parliamentary means and strikes in the 1920's and 1930's. Like the organization Freedom-Justice-Independence, PPS was one of the principal organizations fighting in the Underground during World War II, continuing this fight for social and national ideals during the dark years of Stalinism. Members of PPS stand among distinguished Poles--its activists--who have defended freedom, mankind and the nation. Among them are Beleslaw Limanowski, Jozef Pilsudski, Ignacy Daszynski, Mieczyslaw Niedzialkowski, Kazimierz Puzak, Zygmunt Zulawski and Adam Ciolkosz. Adoption of the principles of PPS is for us a moral order.

We regard highly the democratic traditions of the people's movement, tied with the dramatic fight of PSL during the 1940's--together with PPS--for democracy in Poland.

Our obligation is to serve the free basis of the nation, whose most evident manifestations were workers' uprisings in 1956, 1970 and 1976, demonstrations by the intelligentsia and the students in 1968, the birth of Solidarity in August 1980 and the opposition movement after 13 December 1981. The "Program of a Self-Governing Republic" from the First Congress of Solidarity is one of our chief ideological inspirations.

We align ourselves with the traditions of independent social institutions, such as a free press, self-education and the initiative of free trade unions in the 1970's, like the Workers' Defense Committee [KOR]. However, we take this one step further by creating a political organization. We tie ourselves directly to the ideas expressed by Self-Governing Republic Clubs [KRS], taken from the founding declaration of 21 November 1981. One stage in this activity was the WSN declaration of September 1982. We undertake the ideas of WSN under new conditions, with a new program and through the help of new methods and new strengths. We observe the ideological tie with Polish activists and leftist-independent groups in emigration, which maintain the political traditions of Poles.

We seek our roots among these movements that have observed the ethical principles of human and citizens' rights. We value the political skills of National Democracy [ND] in awakening national aspirations and the fight for Polishness, especially in the 19th and early 20th centuries. However, we cannot write ourselves into the ND tradition, because its nationalism and authoritative sympathies are in apposition to ethics and human and citizens' rights. We repeat the WSN declaration: "The right to tradition belongs to everyone, independently of his/her thoughts or actions. We are especially opposed to any current of thought that would

cut off the right to a continuum of national history. It is extremely rich, so that everyone is able to find there his/her genesis."

The WSN Political Declaration is a beginning for further action. We expect that everyone who acknowledges it as his/hers will work together to create the program and activity of WSN. Every already existing independent group accepting the Political Declaration can become a WSN group. The task of the Founding Group is to initiate and to coordinate organization.

9807

CSO: 2600/1002

CZESTOCHOWA PROVINCE PARTY ACTIVITIES REPORTED

Executive Board on Economic Progress

Katowice TRYBUNA ROBOTNICZA in Polish 3 May 83 p 4

[Article by (rb): "Proceedings of the Executive Board of the PZPR Voivodship Committee in Czestochowa"]

[Text] Positive Trends in the Economy -- Worker Activist School Needed -- The City's Appearance

Assessment of socioeconomic results in this voivodship in the first quarter of this year, problems of schooling worker activists, as well as appraisal of the status of improving the city's appearance and of visual propaganda in Czestochowa -- these were the principal discussion items on the agenda for the meeting of the Executive Board of the PZPR Voivodship Committee, which was held on 22 April under the chairmanship of Voivodship Committee Secretary Henryk Jaderka.

We find ourselves in an economic situation where keeping an eye on all phenomena taking place in the economy is a constant, almost daily necessity, for we want to react as quickly as possible to adverse phenomena, to seek effective solutions which counter negative trends, and at the same time we wish to create favorable conditions for adopting the principles of economic reform. This is one of the reasons for the frequent appearance of current regional economic problems on the work agenda of the Voivodship Committee as well as its Executive Board and Secretariat.

Information presented at the last meeting of the PZPR Voivodship Committee Executive Board indicates that the positive trends which we have observed since last August in the national economy and the economy of the voivodship also continued in the past 3-month period. First of all we should stress the fact that product sales rose by more than 19 percent in comparison with the first quarter of last year. This is particularly significant since there was experienced an increase in production of certain goods designated for supplying the market. There occurred in this period an increase in basic output of socialized construction enterprises as well as completion for occupancy of a greater number of dwelling units for the nonagricultural population in socialized housing construction. There occurred an increase in the number of hours worked per industrial group worker. As a result of the production growth,

there occurred an increase in hauling of goods by rail and truck. There was an increase in milk procurement and a seasonal decline in free-market prices on grains and potatoes. There has also been an increase in raising of domestic livestock. Cautiously drawing conclusions from these facts, we can state that the solid mechanisms of economic reform are beginning to operate, and we can state that party actions undertaken at industrial enterprises are already producing results.

This does not mean, however, that negative phenomena have been eliminated, for a high rate of wage payments continues to be maintained. There has been no correction in the structure of employment in industry and construction. The percentage share of material costs continues to be high. Product quality has worsened. There are occurring supply shortages -- involving many industrial group articles. Exports continue to be sluggish. Procurement of slaughter livestock and grain is also low.

The Voivodship Committee Executive Board, proceeding from the present economic situation in this voivodship, has instructed party agencies and organizations fully to implement the resolution of the voivodship committee plenum of 31 March of this year as well as the schedule of actions proceeding from the economy and antiinflation program. It also recommended a number of concrete actions, including monitoring and verification aimed at eliminating unjustified profits by socialized and nonsocialized enterprises.

The Worker Activist School, which has been in operation for a year now, has gained for itself a permanent place in the system of party education organized by the Voivodship Ideological Education Center. Approximately 1,000 enrolled personnel -- workers from industrial enterprises, brigade leaders, foremen, as well as agricultural workers, have acquired basic information in the area of the sociopolitical and economic sciences, and have become acquainted with the main problems of the current political situation. The Voivodship Committee Executive Board, acquainting itself with the results of the year's activities of the Worker Activist School, highly praised the suitability of this form of schooling and expressed thanks to its organizers.

The Voivodship Committee Executive Board also evaluated implementation of the Voivodship Committee resolution of 10 September 1982 as well as recommendations in the Voivodship Committee Executive Board, Voivodship Committee Secretariat, and Propaganda and Agitation Department in the area of improving the appearance of the city of Czestochowa, visual propaganda and information. The appraisal points first and foremost to concrete tasks demanding actions to improve the overall aesthetic appearance of the city, as well as putting into order information and propaganda displays. They also pointed to the positive results of Operation "Property" and to the need for more extensive involvement by workplaces in improving the city's appearance.

#### Plenum on Czestochowa Residential Construction

Katowice TRYBUNA ROBOTNICZA in Polish 6 May 83 pp 1, 2

[Article, published under the heading "PZPR Voivodship Committee Plenum in Czestochowa," by Leszek Figiel: "Increasing the Number of Housing Units is the Affair Not Only of Construction Organizations"]

[Text] Yesterday's plenary meeting of the PZPR Voivodship Committee in Czestochowa was dedicated to mobilizing societal and economic resources to improve the housing situation for the people in Czestochowa Voivodship. The proceedings were chaired by KW [Voivodship Committee] Secretary Comrade Wladyslaw Jonkisz. Participants in the plenary meeting included Comrade Wacław Kulczynski, deputy chief of the PZPR Central Committee Economic Department, and Comrade Janusz Prokopiak, vice minister of construction and construction materials industry.

The report of the Executive Board, presented by KW Secretary Comrade Jerzy Sypka, states that in conformity with the decisions of the 9th Party Congress, acceleration of the rate of housing construction is a fundamental task for all.

At the end of 1980 there were 212,800 dwelling units in the Czestochowa region, 65 percent of which had been built since World War II.

Housing cooperatives have a total registered membership of 31,000, 27,000 of whom had accumulated a full money contribution. Local administrative offices have registered 5,600 applications for assignment of a communally-built apartment.

Among those waiting for their own apartment, 12,500 families are living in very difficult conditions, waiting years for a cooperative apartment. A total of 2,600 families are experiencing such a situation while waiting for an apartment assignment.

Housing construction in this region has become a kind of Gordian knot, particularly since construction enterprises and workplaces are building fewer units than a few years back.

Providing every family with housing by 1990 will require construction of 39,000 apartment units in this decade. Satisfaction of the public's desire to improve their standard of housing, the desire of young people to achieve independence, as well as the needs of people of retirement age are increasing demand to 56,000 units. Implementation of this plan would make it possible to shorten waiting time for an apartment to 5-7 years.

Information on the status of and implementation of the housing construction program in the period 1983-1985 and up to 1990 was presented by the governor of Czestochowa Voivodship, Grzegorz Lipowski.

The region's governmental administration, in conformity with the decision of the 10th PZPR Central Committee Plenum and decisions by party voivodship agencies, recognized as the principal social policy aim retardation of worsening of the housing situation. A Voivodship Housing Administration has been formed, and sites are being prepared for multiple and single-family construction. These activities will be steadily expanded.

In the opinion of administrative authorities, the main obstacle in the path of developing housing construction on a large scale is the cautious attitude on the

part of executing enterprises which, instead of increasing, are reducing their plans, as well as supply shortages, particularly as regards items needed for finishing work. In addition, regional enterprises are utilizing to an insufficient degree their own construction crews for building housing. Only 10 enterprises in this voivodship have been regularly engaged for a number of years in constructing housing for their employees. Also possibilities of guaranteeing building materials of domestic origin are being little utilized in Czestochowa Voivodship.

In the plenary discussion several comrades debated previously expressed views. Comrade Kazimierz Borowik from the Construction Combine presented, among other things, a view on the subject of making construction sites accessible by the agency financing the construction. He stated that frequently a lack of prepared construction sites makes things difficult for the construction crews. Other speakers drew attention to the fact that the housing problem does not merely involve construction of new buildings but also maintaining and repairing them. In this way we can improve the housing standard and even obtain additional dwelling units.

The resolution passed at the PZPR KW Plenary Meeting states that party agencies and organizations shall take decisive actions to activate public and government resources to correct the housing situation. It instructs party organizations at the Construction Combine and other enterprises to secure an increase in the participation of firms in housing construction. Party decisions also instruct the governor, the head of the Czestochowa Municipal Government, the chief officials of cities and gminas to make the necessary preparations in organizational matters, making possible the construction of multifamily and single-family structures.

The PZPR Voivodship Committee appealed to all industrial workforces, cooperatives, as well as public organizations and trade unions, scientific workers, engineers, economists, and workers to take active part in creating conditions for meeting housing needs.

3024

CSO: 2600/973

## PROVINCIAL PARTY ACTIVITIES NOTED

## Tasks in Party Work

Poznan GAZETA POZNANSKA in Polish 14 Jun 83 pp 1, 2

[Article by mi: "Debate of PZPR Executive Committee in Poznan. Tasks in Party Work After Plenum of PZPR Central Committee"]

[Text] (Own Information) A debate of first secretaries of parish, city-parish, city, and district PZPR which was chaired by the First Secretary of the Executive Committee, Edward Lukasik, took place yesterday in Poznan. The key problems for party work in individual milieus which were the result of the content of the 12th Plenum of the CC PZPR were discussed.

It was stressed that in internal party affairs, the most important task for the party aktiv is a consistent strengthening of the bond between PZPR and the working class through everyday practical contact with the working people. One way to achieve this goal is to hear the voices of the working people in the echelons and party organizations, join in solving their social and daily living problems, undertake to fight the social pathology phenomena and form attitudes which are characterized by exemplary performance of work. This is tied to granting a high rank to ideological party work, to deepening Marxist-Leninist knowledge, to readiness resulting from ideological attitudes to fight the opponents of socialism.

Attention was also drawn to the need for a more consistent course of action in the implementation of party resolutions. Referring to economic problems, the need was discovered to concentrate party efforts on integration of milieus in workplaces for purpose of fuller utilization of productive potential. This goal can be served by freeing productive inventiveness. As to party work in the country, preparations for harvesting agricultural products and for activation of PZPR village organizations are counted among the most important tasks.

Party members should also support the actions in favor of national reconciliation through active cooperation with the Patriotic Movement for National Rebirth [PRON].

All actions undertaken by the party have as their aim the creation of favorable conditions for the country's fast coming out of the crisis and for the stabilization of sociopolitical life.

#### Citizen Matters in Party Matters

Bydgoszcz GAZETA POMORSKA in Polish 14 Jun 83 pp 1, 2

[Article by BA: "Plenum of Voivodship Party Control Committee [WKKP] in Bydgoszcz. Citizen Matters Are Party Matters"]

[Text] The Voivodship Party Control Committee debated yesterday in Bydgoszcz. In the plenary session which comrade Bogdan Nalezty, the chairman of WKKP, presided; the secretary of the Executive Committee, comrade Zenon Zmudzinski, and secretaries of echelons of first degree and leaders of Regional Center for party work ROPP also participated.

Comrade Bogdan Nalezty presented information which was the object of the meeting and the results of the control in the use in party judgments of letters and complaints directed to echelons and party organizations. Comrades Lech, Bodzon, Wojtczak, Grzelak, Niezorkowski, Szypulski, and Kaminski took part in the discussion.

Both the speeches of the discussants as well as the lecture itself recalled that the entire party, all its members and organizations, are obligated to a penetrating consideration of complaints and to a correct solution of the postulates contained in them. They supply the echelons and party organizations with rich material about the problems and difficulties nagging society. Treated correctly, they serve the purpose of tightening the bond with society, and the efficiency of socialist society. Party control committees are particularly interested in party members' attitudes which caused complaints with their irregular activity or else treated their review in a carefree manner.

The teams of members of Voivodship Party Control Committee, in order to obtain authoritative evaluation of the utilization in party work of motions contained in letters and complaints of citizens, investigated the Bureau of Letters and Complaints of the Executive Committee and Departments of Executive Committee, 23 regional echelons of the party and 32 basic and branch organizations. In 1982, the Voivodship Committee received 1,372 letters and written complaints and received 1,368 petitioners (in the first quarter of 1982, the number of letters fell by 30 percent but the number of personal interventions grew by 45 percent). From among the controlled regional echelons, the greatest number of letters and complaints were noted in Bydgoszcz, Nowe, Swiec, Brusy, Warlub, and the smallest in Gujewkow, Dabrowa Biskupia and in the parish Chojnice.

The complaints and requests for intervention referred mainly to apartment issues, human relations in workplaces, agricultural problems. Difficult

social matters should be resolved in their place of origin. In the meantime, as it was shown at the plenum of WKKP, the attitude of the regional echelons of the party continues to be differentiated. There are repeated cases of superficiality and delays in handling of complaints by offices and institutions. The fact that the interventions of the Voivodship Committee must restore for many citizens faith in justice is disturbing.

WKKP received 265 complaints during its tenure; among them many (103) are anonymous. The voivodship and regional party control committees took advantage of their right and duty of meting party punishments beginning with cautionary conversations up to and including expulsion from the party, reclaiming party recommendations of persons who hold management positions, when complaints bared real ideological, professional or moral and ethical transgressions by party members. This must become a common practice for all echelons and particularly for party organizations, because overcoming harmful liberalism and false collegiality towards people who with undeserving and dishonest behavior strike at the party and undermine its bond with working people, is progressing with resistance only.

The secretary of the Executive Committee, comrade Z. Zmudzinski, underlined that complaints and postulates supply not only useful information about the functioning of social and political mechanisms but also about real implementation of the party program line. Not only concrete matters have to be investigated but first of all sources and causes of their origin. The Executive Committee secretary also informed that the problem topics of complaints, postulates and interventions will be the subject of one of the forthcoming sessions of the Voivodship Committee of PZPR in Bydgoszcz.

#### Moral, Political Responsibility in Party, PRON

Gdansk GLOS WYBRZEZA in Polish 14 Jun 83 p 3

[Article by Tomasz Persidok: "Party Versus Patriotic Movement for National Rebirth. Moral and Political Responsibility"]

[Text] After its first congress, the Patriotic Movement for National Rebirth entered a period of organizational maturity. This means that after a phase lasting for many months of movement's formation and after shaping of its programmatic profile, the stage for practical political activity must come about.

Both at the congress itself and also before it, PRON was considered by the society first of all to be a growing group of enthusiasts of a concrete idea. The knowledge of the movement, this current knowledge, was in fact the knowledge of the high, patriotic principles expressed by PRON activists. The concrete initiatives and experiences of the movement which is being formed, were less known.

It would be difficult to deny that PRON has to its credit many smaller or larger successes. It is enough to mention the significance of the share of

the movement in the decision concerning the lifting of martial law in Poland. However, now, after the congress, we have the right to expect systematic, orderly activity which is ideologically and politically expressive. A lot has been written about possible variants of the movement's growth. Guesses concerned also the concrete dangers which the model enriched by a new and important factor of socialistic democracy brings with itself. Now is the time for a practical answer: Will the movement of Polish patriots win a permanent place in our reality, and will it play a historical role in accordance with aims which it sets for itself? There are chances and possibilities for it.

When saying that "time for concrete action" has come, it is worthwhile to ponder what may have the decisive influence on those concrete acts.

In this context I think about the unusually responsible role of the party in the Patriotic Movement for National Rebirth.

The party is the main political force of PRON. Let us remember that it is the members of PZPR who were at one time the initiators of the creation of Citizens' Committees for National Salvation (later: National Rebirth), inspiring the appointment of temporary structures. Comrade Wojciech Jaruzelski, first secretary of Central Committee, said from the congress tribune: "PRON PZPR is the spokesman of interests of the main social force--the working class, and it most fully expresses and materializes the ideological, systemic rationale of socialism. This defines the particular, political and moral responsibility of the party for successful development of the movement, for its significance in the social life of the country."

The meaning of the cited fragment of the first secretary of the Central Committee of PZPR's speech will become more readable if it is kept in mind that workers form only a modest percentage of PRON. This can be rightfully annoying also in the context of the future evolution of the movement. But the party is in the movement and its members are active in it. What tasks depend on them?

First of all, they should not act to the disadvantage of what is valuable and characteristic of PRON. I have in mind the variety of world and political views, openness of ideological and political attitudes with a simultaneous, universal acceptance of the principles of the regime of People's Poland, and perceiving as the highest good a love for our homeland--here and now.

Practically all can belong to the movement except for the staunch enemies of socialism who are, by the way, not drawn to PRON by force anyway. Potentially this situation is conducive to exploitation of the movement by anti-socialist opposition. The members of the party should be prepared for a fierce political battle with the opponent. Cumbersome, wise, offensive political work awaits them in milieus which are indifferent at least and not infrequently unfriendly to socialism. This battle must be for arguments--none other has any chances of success. That is why the ability to

conduct a discussion on its merits is essential. The same applies to people who accept socialism but who have opposite viewpoints.

Of course the task of the members of the party in PRON is not only to struggle with the ideological and political opponent if such an opponent could get in there. In fact, the case is just the opposite--we should create as many facts as possible which favor national reconciliation. The issue is to draw to the movement ever-wider circles of society, to wake up civic initiative, to act in favor of coming out of the crisis. The movement should be a school of thriftiness, the spokesman for good work. It is difficult to overestimate the postulate that the best examples of these virtues should come from party members--in factories, schools and institutions.

And so, a special responsibility rests on the party in the movement. Responsibility for the shape and quality of PRON, for its character and profile. In order for party members in the movement to be able to fulfill the tasks put before them, they should first win for themselves a position of political and moral authority.

This, unfortunately, or rather fortunately, no administrative decision, order or decree can do. Here everything depends on concrete, individual people.

In fact, PRON will form an important artillery range and a test case of activity, offensive and quality of party ranks.

#### Implementation of Party Resolutions

Koszalin GLOS POMORZA in Polish 17 Jun 83 p 3

[Article by Andrzej Bialogrodzki, Wacław Nowak: "On the Example of Kolobrzeg... To Transform Ability Into Action"]

[Text] How does the implementation of party resolutions look? How does the process of trade union movement rebirth in workplaces proceed? What is the attitude of enterprise management to the basic party organization [POP]? To what extent do they support the political activity of the basic party organization? How is the assistance of echelons of the city, voivodship and regional center for party work for the secretaries of party organizations manifested?

These are some of the problems for which the members of the inspection and control team of the Executive Committee attempted to find an answer in Kolobrzeg basic party organizations. And that is both in direct contact with members of the party in workplaces and in milieus and also in a meeting with secretaries of the basic party organization in the PZPR city committee.

In the city there are now 3,021 PZPR members and candidates. They are centered in 75 basic party organizations. In the period of the last 3 years 950 members and party candidates left the party for a variety of reasons (dismissal, removal from the membership list, and leaving at own request). The city organization shrank by about 25 percent.

Research conducted by the inspection and control team indicates that the decrease in the ranks of city party organizations in Kolobrzeg did not weaken the influence of the party on the political and socioeconomic life in the city. Those who left were to an overwhelming degree people who were insufficiently ideologically involved in the party, active to a small degree. It was bad that party ID's were turned in sometimes by honest, valuable people who could not stand the psychological pressure or at times an open blackmail with which they were unscrupulously treated at places of work. They remained certainly party allies, they give proof of it many times. It is important that the city echelon does not forget about them in its everyday activity.

In the Kolobrzeg PZPR city organization there is a large, well-prepared and devoted party aktiv. Two members of the Executive Committee directorate, 10 members and substitute members of Executive Committee, 52 members and substitute members of the city committee PZPR live and work here. The majority of this aktiv accompanies all actions of the party in the city in an honest and devoted manner, devotes its free time to political and social work.

"We feel needed in the city. Always, during the most difficult times, we were with the party. We broke the barriers of dislike for it, and of its aktiv to us. We used to be and we are among the rank-and-file members of the party in production plants, in the country, among the youth and the women. We talk, explain party politics. We also have our problems, our frustrations. We get irritated at double-dealing attitudes of people who 'Light the candle for Lord and the stump for the devil.' Also the weakness of the youth organizations, inadequate ideological and educational influence on the entire youth. How often we give up our place in this field to our ideological opponents without struggle," (taken from the speeches by comrade Mirosław Bremborowicz, Sergiusz Denesiuk, Dariusz Zajaczkowski).

The inspection and control team conducted conversations in 35 basic party units. The majority of these organizations found its place among workers' teams and it strengthens their position. Everything that concerns the city, life of its citizens is in the center of interest of the basic party organization. Not only discussions and conversations attest to it but also practical actions, permanent and systematic, tackling problems bothersome to Kolobrzeg dwellers of a socioeconomic and cultural-educational nature.

Many state organizations in production plants approach the resolution of intraplant problems in a thorough manner. They join work on implementation of anti-inflationary and savings programs, actions for improvement of work conditions, and living conditions for the crews. This can be seen especially keenly by an example of such basic organizations as the POP in Barka,

in State Construction Enterprises [PZB], in Construction Combine, in KPRB [Kolobrzeg Enterprises of Construction Works], in the branch of State Vehicular Transportation [PKS], and in Provincial City Transportation Enterprise [WPKM].

They need allies in workplaces. First of all, they count on help from the trade unions movement which is being reborn, from the employees self-government.

How does the situation actually look in this area? Out of 13,000 employed in socialized medicine, over 3,000 people belong to the trade unions. How many PZPR members belong to trade unions? Only 42 percent. And the rest? Well, this is exactly an important problem for all basic party organizations in the city. We are not allowed to delay not only with action in this domain but also with conversations with members of the party.

In order to be able to act this way one must bring order to many matters, internal party matters. The fundamental questions are the meetings of basic party organizations at which one should speak not only about directions in work, program it but also evaluate the degree of implementation of party resolutions, as well as own resolutions and the performance of individual tasks by party members. There is still a lot of weakness here. For example, attendance at many meetings is poor, the meetings are not taking place systematically. Party work between meetings leaves a lot to be desired; sessions of the executive, assignments of tasks, individual conversations, answering complaints and requests of party members and those who do not belong to the party, and the like. It appears from the research of the inspection and control team that considerable weaknesses occur in the work of basic party organizations in the field of ideological and instructional activity. Only few party organizations conducted instructional classes in the current years. In places of work lack of visual propaganda is clearly felt. It should be stressed that publications, brochures, posters and other propaganda materials cannot be seen in display cases, on informational bill boards, advertisements or propaganda sections.

Kolobrzeg is a milieu of educated, ambitious people who possess extensive living experience and potentially high abilities of shaping proper attitudes of the society. Thus the basic tasks both for POP and for city party echelons is transforming these potential abilities into concrete action. It was stressed many times during conversations and discussions with members of the inspection and control team of the leadership of the Executive Committee that unresolved matters bother people, irritate them and yet can, inspite of difficulties be resolved; they influence negatively the feelings and moods of city inhabitants. Many of them can be arranged for the good of the people by means of skillful and wise behavior, and through this it is possible to gain them for fuller solutions of the everyday troubles and problems of the city.

## Increase in Activities, Roles of Party Organizations

Kielce SLOWO LUDU in Polish 20 Jun 83 p 3

[Article by Jerzy Jarkowski: "In the Party After 12th Plenum of Central Committee. Truly Basic"]

[Text] "When strengthening the party, the Central Committee considers the increase in activity and the role of basic party organizations to be especially important today. It should be related to stimulating activity of all party members."

Two short sentences from the resolution passed at the 12th Plenum of CC PZPR focus our attention on the tasks of great weight today. We entered a stage in which everyday systematic political activity together with the progressive normalization of life in the country gains growing importance, and the chances for its effectiveness increase. The minds of many people who until recently succumbed only to emotions became open to rational arguments. It is necessary to pull the disoriented and the lost out of the magic circle of impotence and passivity. It is necessary at the same time to proclaim and implement with still greater effectiveness the positive program of the party, to defend with the highest consistency the ideological and moral values of socialism, to fight evil and social plagues. It is also necessary to continue to show fortitude and determination in the face of actions of the opponents of socialism whose field of activity has narrowed but who are still dangerous.

And so it is possible to characterize in a greatly abbreviated manner the basic premises which are the result of an estimate of the actual political situation in the country, which decide that the activity of the party among the people, everyday concrete conversations of party members with nonmembers are simply a must. We are talking about a great cause, about the most speedy transformation of the way of thinking of millions of people, about focusing their attention on vast and difficult tasks, freeing their growing activity in overcoming economic crisis, creation of a climate of harmonious cooperation and patriotic work for the country.

The voice of the 12th Plenum of the Central Committee of PZPR is in this field a decisive and clear voice. And the entire party and each of its basic units should mobilize today all its internal strength, to keep up in step with tasks, to convince the working class and the society about the rightness of its arguments and at the same time to listen carefully to people and react to their initiatives.

Almost each of the discussants at the 12th plenum, when speaking about present tasks of the party, indicated that the key to success is in the activity of basic party organizations and in the level of political involvement of its members. Examples were cited which attested to how much one can achieve when one acts in a thoughtful manner and in a manner properly

militant for the party. In statements made by members of the Central Committee critical estimates appeared of the activity of a still-large number of basic party organizations.

Undoubtedly the party is becoming stronger and has regained the initiative. This has been confirmed by the informational and programmatic campaign as well as by the period of implementation of motions made in its course. However, by comparison with the tasks the achieved progress is still unsatisfactory, and at the same time happens at unequal intervals. There are still many passive organizations, insufficiently influencing their environment, for instance in many schools, universities and cultural institutions. Not once in similar circumstances, active and effective in operation organizations exist side by side with passive ones which by their passivity deprive themselves of influence over their situation.

The Ninth Congress outlined directions of socialist rebirth and of overcoming warped behavior and showed with great emphasis that the strengthening of the party and perfecting of its activity will be decided by the growth of internal party democracy. This was reflected in the programmatic resolution of the Ninth Congress as well as in motions of the party statute accepted at the congress.

It is enough to glance at this last document and to compare it with the preceding statute to realize to what a serious extent the basic party organizations became more richly and concretely empowered both in the resolution of matters in the field of their own activity as well as in participation in decisions of the entire party.

When treating as inseparable the idea of centralism and democracy, of discussion and discipline, the resolution of the Ninth Congress and the statute accepted at it form broad framework for basic party organizations independently to bear the responsibility for implementation of the party line in their sector. The exploitation of these chances is dependent on the activity and political cohesion of party organizations, on the quality of their composition and on whether the members of the party acting in them fulfill the political and moral requirements defined in party resolutions and in the statute. It is an old truth that generally deeds are an argument more expressive than words, that a party member acts on his environment by means of the example of his own attitude to work and to the tasks set for him.

Why does not part of the party organization display a proper activity? Undoubtedly, some of them have not yet managed to gell politically after the past shock. However, very frequently the source of weakness of a basic party organization's work is lack of observance by them of the statutory requirements to assign party members concrete tasks and to hold them accountable for their implementation. No care is given for a systematic meetings schedule which forms the main forum for discussion and of undertaking decisions in the organizations. Frequently, conditions for criticism and self-criticism are not created and the organization does not react to evils which all notice around them.

Of course, one does not become a party militant only by exact application of statute principles. These principles are a compass which would help many a party organization in recovering its activity and thus also the authority in the milieu.

"...People must feel that the party is needed by them, that it is always with them, that it forms a buttress in the struggle with evil," Wojciech Jaruzelski said in his ending speech at the 12th Plenum of Central Committee of PZPR. Every party organization should wholeheartedly strive for it.

The ability of the party to influence the situation in plants and milieus is increasing. Particularly the workers' party organizations in the majority of the largest plants in the country are getting stronger and are regaining activity. At the same time, the front of social action in plants and milieus which is made up of ever-more-widely forming and acting union organizations, employees and village self-governments, social organizations and basic units of PRON, widens too. We may and should more fully and better exploit this improvement in the situation and in social atmosphere. Each party organization, when doing so, increases the combined potential of the party and multiplies its authority.

9971

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PZPR DEMAGOGY, LEFTIST DOGMATISM ASSAILED

Warsaw ZYCIE PARTII in Polish No 4, 16 Feb 83 pp 14-15

[Article by Stanislaw Kwiatkowski: "Marxism-Leninism Is not a Set of Cliches"]

[Text] Last January, the PZPR Central Committee's Institute for the Study of the Party, WSNS [Higher School of Political Science], arranged a panel discussion of the topic: "Propaganda Under Suspended Martial Law." The organizers proposed the following issues for debate: the status of views held by and collective psychology of principal segments of society, problems in class identity of workers, political mood in major plants, problems of ideological struggle in the current political setting, and methods and forms for propaganda activities in the present period. Ten persons took part in the discussion. Printed below is a statement by Dr Stanislaw Kwiatkowski recreated by the author at our request.

It will probably prove impossible to recreate it verbatim, but this, which is important, was my intention.

At least a half of issues proposed for debate require appropriate research. I confess I was mostly hoping for research results and I was essentially tuning in for "reception." Since most views which were voiced had been formed, however, on the basis of common sense, largely as a result of individual reflection, I believe I am also entitled to offer several thoughts, chiefly because I see many of the issues from a totally different point of view.

Evidently, even within our own group we differ on fundamental issues. The topic for our meeting, to repeat, was "propaganda in the setting of suspended martial law." Would we be able to reach consensus if the topic at issue was "propaganda in normal conditions"? It appears that not all of us would be able to agree.

References have been made here to the very notion of propaganda, its obligation to create desirable stereotypes and dismantle undesirable ones and, as some have claimed, to promote social accord, or to be combative and unswerving, as others have insisted. Up until now, however, we are still refraining from gaining clarity on what we want and what we are heading for.

In my view, socialist propaganda involves much more than stereotypes (or emotionally-valuating, simplified assertions about reality). Striving for consensus, in turn, is commendable and quite timely, but is consensus supposed to mean accord with everyone and at any price? On the other hand, revolutionary zeal and vociferous hardlinerism accompanied by verbal threats, potshots, and senseless impetuosity come to an end with the first counterpunch of the opponent who is warily lying in wait.

Propaganda, to my mind, is impacting on society in a manner that is ideologically defined, organized, and controlled to foster attitudes, opinions and behavior consistent with current and prospective political exigencies.

I place extra emphasis on propaganda's dependence on ideology and politics, a definition likely to be acceptable to all. It would be more difficult to get agreement when specifying ideological and political exigencies. I am pained to admit that, just as Solidarity demagoguery has left its sediment in our society's consciousness, party demagoguery has taken root in the style of thinking of some party activists.

Various superrevolutionary populist appeals of the champions of the people, stridently outbidding the unrealistic demands advanced not so long ago by former trade-union leaders, and the latest accusations flung against the authorities from the underground, aren't these demagoguery? The opponents' demagoguery is not surprising, any opposition exploits and benefits from blanket criticism, but angry voices to please the crowd heard from our own ranks and denigrating our own leadership are divisive and sectarian, regardless of intentions.

For demagogues, everything is simple and self-evident. They are very confident about their own solutions. They are forgetting about the resolutions, documents, and principles of party democracy, about what it means for the party to be "the same, but with a difference," "a party of struggle and accord." Moralizing and querying "How much longer?" "What are we waiting for?" or "What is the use of this?" are stuff which we covered in earlier stages. Appeals that we must, that it is necessary, that we ought to, are old hat. There is not much to gain from them, as there is a better pool of preachers in other quarters. It has long been common knowledge, too, that our point is to change the world, rather than interpreting it, except that we do not always know how to do it properly and effectively.

Marxism-Leninism, the ideology with which we identify ourselves, is not a set of cliches or pseudophilosophical textbook lines. Dissemination of this ideology is not based on invoking various "isms" in every other sentence.

What we need are not incantations but a weapon for our struggle, an effective means for transforming social realities.

Someone who took offense at my reference to "isms" misunderstood it as a call for abandoning Marxist-Leninist terminology. We all occasionally

mishear. For the most part, however, one hears what one desires to hear. It was good that a majority of the audience understood correctly and protested, though I would have had my defense in what I had recently written in a POLITYKA article "On Words and Facts" and, earlier, in my book "Word and Emotion in Propaganda." Moreover, editors of one of the weeklies would testify that I protested when they had purged a text of mine from such terminology. For a fact, there are those who parade the Communist Manifesto as their sign but can hardly utter the words from that document. As part of the "renewal," they display their nonclass posture and shun unequivocal terms.

I note, to follow up on this thought, how absorbed we have become on various occasions with correct Polish usage--symposia and conferences are being organized, books are written, and interviews and counseling on the subject are offered. These are valuable and needed, I know, yet at the same time we permit people to persist in their ignorance of ideological references contained in words, although it has now become obvious how multiple in meaning colloquial notions are, and how difficult it is to communicate unequivocally. The very same words mean completely different things depending on speakers' ideological orientation and political interests.

Another point was also protested: an excess of national emphasis in propaganda to the detriment of its internationalist content. This point has perhaps some validity, but I remember the time when nothing but nationalism and internationalism were discussed. As usual, it turned out that the more blabbing of this sort, the fewer the facts and the poorer the results.

Have we learned anything? Just as passing things over in silence hardly makes them nonexistent, hardly any hope should be placed in wishful thinking in propaganda activities, and in repeating ad nauseam of what we would like to become real. Wishful thinking is no substitute for thought in action.

To return to the relationship between propaganda, ideology, and politics, it appears that a segment of the party *aktiv*, especially those activists somewhat older in their style of thinking and operation rather than age, tend to detect defeatist and opportunist trends in PZPR's current policies. The label "current" is intended to mean: "allowing for present-day realities and social facts."

There is no point in taking offense at facts because "facts, they are dogged things" (please recall whose thought this is). Even in a revolutionary fervor, it is safer to keep a firm footing. In theory, it is possible to blaze ahead throwing all caution to the winds and dismissing realities, but in such cases the vanguard forging ahead frequently becomes a vanguard followed by none. A wider policy dictates even a retreat if there is a threat of becoming severed from the base. The point is to stay ahead, though not too far from those who are being led.

Self-assurance in dogmatically thinking activists would not be a misfortune were it not for their presumption that they alone know how to build

socialism. They believe in their mission and feel like high priests guarding a sacred flame. The misfortune centers on the belief that it is possible to build socialism and proffer it to the working people, acting on their behalf but without their participation, or even against them. It has been known from theory, since its inception, and it is known now from the errors of experience that socialism cannot be built without people. There is no way it can be foisted on the working class as a gift. Socialism germinates and grows in human consciousness. The selfsame people are both its ends and means, acting subjects and objects of action. The difficulty lies in merging human ideals and human interests into one and in making them ensue from one another dialectically and logically.

The dogmatists see all things as separate: the goal (socialism) is distinct from the people (builders of socialism). The error of dogmatism results from petrified thought that, in the name of a grand future, makes an abstraction the acting subject, which reduces the real man to the role of an object. If one projects one's thoughts into a remote future, one fails to notice the fact that societal realities and man himself are products of earlier epochs, and thus have among their characteristics also those that are contrary to ideals of communism. In effect, one also fails to see the road that must be traveled in order to reach remote goals. This is why the entire conceptual framework for exercising influence on society is based on eradication of existing values in base and superstructure (private farming and small business in the former; religion, traditions, and customs of conduct in the latter). As if it were impossible to build on anything but scorched ground. In consequence, that which ought to be serving man is turned against him and engenders animus against the ideals of communism and against a party attempting to achieve them in this manner. On the surface, the state appears to gain strength, yet it gains strength in and of itself as if to counter its own society.

For leftist deviationists, everything is simple, so simple as to become simplistic.

Either Black or White

Here is a sample illustrating such polarized perception of the situation in Poland, culled from a certain monthly in mid-November 1982:

"It is around the communist pole that whatever honesty, patriotism, and progressiveness Poland can offer concentrated, while the other, revolutionary pole, to use a provisional and general label, attracts an accumulation of uneradicated survivors of counterrevolution, neoclericalism, neopetit bourgeoisie, plus all those who have grown fat, and still are growing fat, exploiting human misery and ignorance."

And there is no way to persuade the author or his ilk that the climate and landscapes of those counterposed--south and north--poles are actually not so different. He knows his own truth, while those who think otherwise are to him "reactionary rats" and "wolves in sheep's clothing making a pile of money on dirty business" (quotes from the same article).

I support Jan Kurowicki in his belief that actually there are "no enemies on the Left." He is unlikely to deny, however, that instances of stupidity do occur. Some 60 years back, such cases were termed as being "to the Left of common sense." They surface in situations of critical importance for socialism, e.g., what are we supposed to think of the comments full of righteous indignation which question the purpose of the latest joint ZSL-PZPR plenum along with PZPR's total policy on private farming? At the time, unfortunately, I did not have a handy quote like the one I picked from last August's PRAVDA (perhaps this source would have cooled the hot-heads):

"Life inflicts severe punishment for haste in societal activity and for neglect of objective conditions. Take as an example the 'assault' on household garden plots and private auxiliary farms in the 1960's. Many villagers abandoned their plots and began to depend on the stores for food articles they used to produce. There was moral impairment as well, felt even today, in its consequences, although much has been done in recent years and much is being done to raise the prestige of demanding rural occupations including the working of auxiliary farms.

"While displaying and taking pride in the achievements of socialism, their scope should not be magnified and idolized, excessively ambitious tasks should not be specified, and slogans whose implementation is as yet impossible should not be advanced. Glossing over the realities and exclusion of objective difficulties generate an illusion of facile implementation of communist ideals, absence of serious difficulties in their actualization, and spurious enthusiasm based on empty talk, rather than on concrete actions."

This is as much as I will say on the differences, strategic differences to apply a label. Now, as regards tactics and the issue of leftist militancy.

There are different ways to fight, e.g., frontally, or by outflanking, rather than exclusively applying denials and blanket condemnation of things alien; also by acceptance, winning allies with the call "who is not against us, is with us" and "only he who wants to be so, is our enemy." Is it not worth taking a lesson from those who were for centuries mastering the skills needed to handle men of other creeds: in the past they saw communists as the embodiment of evil; now they are quoting Marx, rallying to the defense of worker dignity and justice, and proclaiming slogans taken from workers' banners, and chiefly because of that they have the initiative and are "credible" today.

Under the Polish conditions, the party's ideological obligation, consistent with the teachings of Marxism-Leninism--not to abuse those names by too frequent use--is constant vigilance and analysis of the interests of its own class versus those of other classes and strata both internally (in an alliance with SD, ZSL, and Catholic associations, while combating opposition political groupings) and in international relations by examining the opponents' moves and their propaganda and ideological activities.

That much on politics. As far as propaganda "under suspended martial law" is concerned, in keeping with what we have said above, it is most important to have clarity on what we are driving at, for the sake of which concerns, and in the defense of what values and whose interests. This has been mutually explained, although references to the program of the Ninth Congress will certainly be of no harm.

With this point of departure, we should subsequently seek answers how to unmask our political opponents' genuine strivings and links to [intelligence] agencies and how to explicate class conditionings of political struggle in Poland and abroad. The list also includes debate on the sources of discontent, especially among young workers, prevention of recruitment of youth to illegal and adventurist activities, machinery to be set in motion by economic reform and its social effects, stereotypes functioning in society and supported by Western propaganda centers for historical education of young persons, mismanagement, parasitism, profiteering, societal pathology, work-shirking, protection of minors, disciplinary activities in work plants, difficult choices faced by the authorities in critical situations when choosing the lesser evil, courageous demonstrations of differences in class and group interests using specific problems during consultations, workers activism in trade unions, employee self-government and PRON, signs of bureaucratism and official arrogance toward citizen complaints and suggestions, the party's vigorous presence among the working people, barriers of mistrust and suspicion, tact in supervising people and subtlety in democratic interaction on the lowest organizational levels.

This is much to consider at many a conference. It is worthwhile and needed.

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POLAND'S ABSENCE FROM LABOR CONFERENCE SESSION EXPLAINED

Warsaw ZYCIE WARSZAWY in Polish 23 Jun 83 pp 1, 6

[Interview with Jan Wiszkielis, consultant to the minister of labor, wages and social affairs; date and place not specified]

[Text] [Question] For several years you worked in the International Labor Office on behalf of Poland, and were subsequently a member of Polish delegations to the general conferences of the International Labor Organization. Consequently, you are well acquainted with the problems and mechanisms of operation of this organization. Since, according to a government statement of 31 May 1983, Poland did not take part in the proceedings of the 69th session of the International Labor Conference, could you clarify the reasons for this decision?

[Answer] It is true that Poland did not participate in the proceedings of the 60th International Labor Conference session, which was held in Geneva from 1 to 22 June 1983. This is an event without precedent in the history of the relations between Poland and the International Labor Organization. The Polish Government took this step to signify its protest against the decision of the International Labor Office Administrative Office Administrative Council regarding the establishment of a so-called investigative commission to study the social and political situation, and in particular the current situation in the Polish labor movement.

As is known, Poland is accused of violating conventions number 87 and number 98. Both the Union Freedom Committee and the Administrative Council formulated tendentious recommendations at the beginning of this affair on the basis of a one-sided approach to the facts and adopted decisions deriving from purely political motives having nothing to do with attainment of the goals contained in the Constitution of the International Labor Organization. Against the background of the so-called Polish affair, the organization is allowing itself to be drawn more and more into the whirlpool of political manipulations deliberately conducted by representatives of certain governments of Western countries and international union organizations serving on bodies of the International Labor Organization. The question arises of why this is so. This question can be answered by taking a look at the political composition of the Administrative Council. Of the 56 members of the council, only 4 are representatives of socialist

countries and 18 of developing countries. The composition of the Union Freedom Committee is also disproportionate; not one of its nine members is a representative of a socialist country.

Precisely this composition of the International Labor Organization bodies explains why the recent decision of the Administrative Council on 27 May 1983 in the Polish matter can be assessed only as a violation of the fundamental principle of procedure in disputes, that is, impartiality. The decision is a clear-cut act of a political nature and with markedly anti-Polish features, and also another attempt by antisocialist forces at interference, through the establishment of the so-called investigative commission, in the internal affairs of a sovereign country. Availing themselves of their predominance, these forces made the decision deliberately while entirely ignoring the obviously positive progress made toward stabilization of social and political conditions in our country, the surmounting of economic difficulties, and full normalization of the life of society, and the simultaneous regeneration of the union movement on new statutory foundations.

[Question] What charges are leveled in the complaint and who made them?

[Answer] Introduction of the state of war evoked different reactions on the part of a number of governments, political parties, and trade unions in the West and entail certain consequences in the sphere of international political and economic relations. Two international union organizations having consultative status in the International Labor Organization in December 1981, referring to Article 24 of the International Labor Organization Constitution, filed a formal charge against the Government of the Polish People's Republic for violating ratified conventions numbers 87 and 98, in connection with temporary suspension of trade union activities and internment of union officials. They were the International Conference of Free Trade Unions [ICFTU], which is marked by rightwing tendencies, and the World Confederation of Labor [WCL] controlled by the Christian Democratic movement.

In addition, impelled by the same reasons as these two union organizations and advancing the same arguments, the secretary of the French union center of markedly rightwing leanings, Force Ouvriere, Marc Blondel, also filed a complaint in June 1982, but on the basis of Article 26 of the International Labor Organization Constitution, which provides for the possibility of establishing an investigative commission.

[Question] Did these union organizations have the right to file a complaint against the Polish Government for violating the conventions relating to union freedom, and on what grounds?

[Answer] Even making allowance for the friendly relationship between these organizations and the former Solidarity trade union, we must note that they had no right, either formal or moral, to file a complaint demanding that the Polish authorities recognize a union which was being converted to a political movement and to dictate what the authorities were to do in a particular

internal situation in Poland. In addition, we believe these complaints to be groundless, since they do not relate to union matters within the meaning of convention number 87, but rather to political questions when in their activities unions go beyond the frameworks of their statute and violate the established legal system and the constitutional order of a given country.

[Question] Did the Polish side give any explanation?

[Answer] The Polish authorities devoted close attention to this matter. Starting in December 1981 close contact was maintained with the general director of the International Labor Office, both by way of correspondence and through direct discussions both during the two Polish information missions and through the Permanent Agency of the Polish People's Republic in Geneva. Extensive information was forwarded to the International Labor Office on the social, political, and economic situation in the country, indications being given of the causes which led to introduction of martial law, and on the progress made in stabilizing living conditions and the processes initiated in the sphere of renaissance of the trade unions. The Polish delegation also provided extensive explanations during the 68th session of the General Conference of the International Labor Organization in June 1982.

In addition, consultations were held with experts of the International Labor Office on the subject of the draft of the new trade union law and participation by the Polish delegation in November 1982 in the session of Administrative Council and Union Freedom Committee. At the request of the Polish Government, Professor Nicolas Valticos, a representative of the general director of the International Labor Office, paid a visit to Poland; he familiarized himself with the situation in the country and, in addition to holding discussions with members of the government, met with officials of all three union headquarters the activities of which had been suspended, including union delegates who participated in the 67th session of the International Labor Conference, together with the former head of the Solidarity trade union.

Lastly, a request was made that a representative of the general director of the International Labor Bureau again visit Poland in May 1983 to acquaint himself with the process of renaissance of the union movement. This request was turned down. Despite these actions attesting to the greatest willingness of the Polish side to maintain a dialogue and cooperate with the International Labor Organization, there ensued a wholly unjustified escalation of actions in the forum of organizations of anti-Polish and confrontational forces, resulting in the attempt to convene an investigative commission.

[Question] Is the decision by the Administrative Council in keeping with the Constitution of the International Labor Organization?

[Answer] It is true that Article 26 of the Constitution of the International Labor Organization provides that any member organization may file a charge with the International Labor Office against another member who, in

the opinion of the former, fails to ensure adherence to the ratified conventions. However, if it deems it proper, the Administrative Council may defer making a decision in the matter of establishing an investigative commission and apply the normal procedure set forth in Article 24 of the Constitution of the International Labor Organization in examination of complaints. I may cite an example that only in four cases was an investigative commission convened as a result of 12 complaints filed under Article 26.

In the case of Poland, the Administrative Council could also have deferred application of the investigative commission procedure, especially since the complaint filed under Article 26 of the International Labor Organization Constitution introduced no new elements beyond the ones already introduced by the ICFTU and WCL. This the Administrative Council did not do. The council failed to recommend establishment of an investigative commission for certain Western countries in which experience indicated serious violation of the International Labor Organization conventions. Why, then, did it make such a decision in relationship to Poland, and not in 1982 when the situation was very tense under the conditions of martial law, but in May 1983 following suspension of martial law, reactivation of the trade unions, social and political stabilization, and progress in the national economy?

In the context of the global policy of "cooling" relations between East and West, the governments of certain Western countries and rightwing trade unions are unquestionably acting deliberately to keep the Polish matter on the agenda of the International Labor Organization at any cost, and the fact of establishment of the investigative commission is proof of adoption of the impermissible policy of interference in the internal affairs of Poland.

Moreover, the complaints are one-sided and at variance with the spirit and letter of convention number 87, Article 2 of which states that workers are entitled to form organizations at their discretion and join them "subject only to compliance with their statutes," and section 1, Article 8 of which also states that "in exercising the rights which the convention recognizes for them, workers, employers, and their respective organizations shall, like other persons for organized bodies, comply with the legal regulations in force in the country." The events which took place in Poland before December 1981 prove that it was not the government which violated the convention, but rather the trade union itself, of the statute of which this convention formed an annex.

[Question] May the so-called investigative commission be considered to be one of the organs monitoring adherence to the International Labor Organization conventions?

[Answer] The most important monitoring organizations of the International Labor Organization are the commission on matters relating to compliance with the convention and the commission of experts. On the other hand, the monitoring organizations as regards the convention in the matter of the rights of man are the Union Freedom Committee, the research and

conciliation commission in the sphere of union freedoms, and the investigative commission.

The fact that over the last 10 years the general conference has three times rejected a report of the commission on compliance with the convention and its recommendations attest to the fact that the mechanisms created for carrying out the tasks of the International Labor Organization are no longer under the control of the organization.

Similarly, the rejection at the 68th session in 1982 of the report of the commission on compliance with the convention attests to a structural crisis in the International Labor Organization and that the majority of the member countries are gradually coming to the conclusion that the work of the monitoring organs is partisan and is not in keeping with the realities of the modern world. These organs, availing themselves of their predominance, are arbitrarily expanding their function with the object of becoming a supranational judicial organ.

Hence, at the 69th session of the International Labor Conference in 1983, the socialist countries filed a memorandum calling for modification of the mechanism of monitoring adherence to the International Labor Organization conventions.

One thing is certain: the Polish authorities have demonstrated maximum willingness to maintain a dialogue, but have not succeeded in having this fully appreciated. Now everything will depend on the future attitude of the International Labor Organization toward Poland.

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FEDERAL ASSEMBLY CHAMBERS HOLD SESSIONS

Federal Chamber on Stabilization

LD290933 Belgrade TANJUG Domestic Service in Serbo-Croatian 0834 GMT 28 Jul 83

[Excerpts] Belgrade, 28 Jul (TANJUG)--The Federal Chamber of the SFRY Assembly, presided over by Aslan Fazlija, discussed the long-term program of economic stabilization today.

Over 20 delegates took part in the very extensive discussion on the long-term stabilization program. The first speaker in the discussion was Dusan Alimpic (Vojvodina). As the rapporteur of the Committee for Socioeconomic Relations of the Federal Chamber, he stressed that by its character and contents the long-term stabilization program represented a platform of the whole of society for the efficient overcoming of the contradictions in economic and social development. Changes in material and socioeconomic relations, Alimpic said, cannot be ensured merely by adopting social documents and legislative acts, but, above all, by pursuing a well-organized social and political action involving all the social elements.

The committee for socioeconomic relations, Alimpic said, attaches particular importance to the revival of production and to redistribution in favor of the material basis of associated labor.

Marjan Rozic (Slovenia) told delegates about the activities of SAWPY in connection with the work on the realization of the long-term stabilization program.

Bogdana Levakov-Glumac (Vojvodina) pointed out agricultural production problems, noting that the basic causes of the lagging behind, such as insufficient investment [word indistinct] and shortage of reserves of agricultural produce, had been perceived.

Emphasizing that he supported the long-term program of economic stabilization, Dr Antun Vratusa noted that at this juncture the most important thing to do was focus one's attention on action aimed at the implementation of the program.

Delegate Dr Ivica Lovric spoke inter alia about the role played by the public information media in the struggle for the realization of the long-term stabilization program. He stressed that the public information media should be a factor

in the mobilization aimed at the implementation of the program and that they should perform this function by promoting confidence in our ability to surmount the existing difficulties. Lovric added that the sources of information also had to adapt their work to the new conditions and that there could be no justification for their shutting off information or denying the right to relevant data.

According to Sinisa Petrovic the way out of the present situation could only be ensured by increasing the efforts made by all the subjects in society, because the program, which he assessed as exceptionally significant, was not sufficient by itself.

Mito Micajkov stressed that the adopted of the long-term program of economic stabilization also meant the adoption of major obligations.

Speaking on behalf of the Committee for Sociopolitical Relations, Dr Stefica Bahtijarevic stressed that the documents of the long-term program of economic stabilization represented a uniform and universally endorsed platform for the overcoming of economic difficulties in the country, as well as for its further economic and social development on the basis of self-management. In the view of delegates, this platform, which was a complete and deep analysis of the current economic problems in the country, should be interpreted not as a static document, but as a dynamic document on development.

As far as the draft conclusions of the SFRY Assembly on the program of stabilization were concerned, Stefica Bahtijarevic reported, delegates had noted that they were to a certain extent generalized, imprecise, insufficiently operational and that their choice of words fell short of sufficiently mobilizing all the social forces for action [words indistinct]. In a long expose Stefica Bahtijarevic further expressed a number of her own observations on the possibilities for the realization of the long-term program, primarily bearing in mind man and his role in the stabilization efforts. According to her some of the expectations were not realistic and the motives had not been (?sufficiently) defined.

Fatima Hadzialic spoke about what citizens thought about the stabilization program. In the citizens' view all the existing difficulties represented a powerful argument in favor of adopting definite, concrete steps toward stabilizing economic activity.

Eva Naglic, chairman of the Committee for the Administration of Justice, told delegates about the discussion held in the committee on the subject of stabilization. Delegates stressed that the organs of detection and the control and supervisory organs and organs of the judiciary had intensified activity aimed at protecting social property, but that during the next period of the realization of the program of stabilization they would have to be even more resolute and effective, within the limits of their rights, in making their contribution to the protection of social property. Eva Naglic said that delegates had placed particular emphasis on the place and role of these organs in achieving respect for the Constitution and the law, social responsibility and socialist ethics.

Delegate Rado Rotar suggested that the conclusions should lay stress on the need to ensure all the legal requirements for basing general and joint consumption and the federal budget in the future on the real social product and national income and not on expected consumption. In his view the 1984 budget should be prepared and consumption estimated in next year's resolution in keeping with this.

Cedomil Stanicic spoke about the significance of the legislative and legal activity from the point of view of the program. Recalling that this activity would be very extensive in the next period because of the need to pass new regulations, Petkovski said that apart from passing good laws it would also be necessary to ensure their consistent implementation.

Delegate Zora Tomic spoke about social policy, noting that this theme had been accorded a significant place in the long-term program.

In Yugoslavia there is no one today who could offer a wiser and better program of economic stabilization than the one before us, delegate Dusan Pekic said.

Vehbia Hajredini voiced the support of the working people of Kosovo for the program of economic stabilization, noting that the conclusions (?on) this program synthesized the basic facts about past development and about the contradictions which had manifested themselves in the past. Individual observations on some of the solutions, Hajredini said, do not call the stabilization program in question and there is no doubt that its adoption and realization will be fully supported, because all of our country's important creative forces were engaged in its preparation. Kosovo, he added, is in a difficult, delicate and specific situation. The debts owed by the province's economy are twice as high as the average for the whole country, while income amounts to just two-thirds of the average income in Yugoslavia.

Stevo Stanivukovic spoke about the strategy and concept of the development of agriculture. After stressing a series of advantages of agriculture and its enormous importance in the stabilization processes, Stanivukovic noted that there still were areas which were lagging behind despite the existence of all the conditions needed for favorable results. He illustrated his assertions by quoting data showing that 4.5 million hectares of land now bare and useless could be afforested.

Ela Ulrih-Atena assessed the long-term stabilization program as a significant document which mobilized for action.

Delegate Jovana Musovic said that she supported the long-term program of economic stabilization, adding that she was doing so on behalf of 5,000 workers of the Djuro Salaj textile combine work in Mostar, who were ready to make their full contribution to the realization of the program. She stressed that the burden of stabilization should be evenly distributed, but that it should be felt less by those who were making a greater contribution to the efforts to surmount the current economic difficulties.

Tatjana Holjevac stressed that provisions concerning the strategy of the technological development of the country should be built into the plan for the realization of the long-term program of economic stabilization. In the struggle to find a way out of economic difficulties, she said, we can no longer tolerate the duplication of production and products, the purchasing of incompatible computer systems and similar phenomena.

The last speaker in today's discussion, Ljubica Miksa, also supported the orientations in the long-term program of economic stabilization.

At the end of the discussion the chamber decided to adopt its conclusions on this item on the agenda during tomorrow's part of the session.

At its afternoon session, after the introductory expose by Jozef Florjancic, federal secretary for finance, the Federal Chamber adopted the final accounts of the federal budget for 1982 with the report on the realization of funds for investments outside the economy and report on the work and findings of the budget inspectorate in 1982. Delegates also adopted a decision approving the final accounts of the Federal Directorate for Food Reserves for 1982 and a decision approving the final accounts of the directorate for industrial product reserves for last year.

Hamza Mehmeti, rapporteur of the Committee for the Federal Budget of the Federal Chamber, reported to delegates on a number of the committee's attitudes and proposals, especially with regard to users with specific legal rights. The committee noted that not all of the budgetary obligations had been met, especially those to the Yugoslav People's Army, funds for the protection of veterans and military disabled and for the underdeveloped republics and the province of Kosovo. The concrete conclusions proposed in this connection bind the Federal Executive Council to resolve these matters as speedily as possible.

The Committee for National Defense of the Federal Chamber also discussed the final accounts of the federal budget for 1982 and the realization of the financial plan of the Yugoslav People's Army were not arriving regularly in 1983, which was causing certain difficulties in financing.

In any case the budgetary situation was not satisfactory. The needs were considerably greater than the possibilities and views were also expressed during the discussion that more attention should be paid to the spending of these funds as well and that spending should fit society's actual ability to finance any specific expenditure. The Federal Executive Council was nevertheless expected to take definite steps to resolve as soon as possible some of the acute questions of financing, above all, the pensions of the national liberation war veterans.

Further on in the session delegates adopted the report on the work of the federal secretariat for finance in 1982, the introductory expose on which was submitted by Jozef Florjancic, federal secretary for finance.

The chamber adopted without discussion an addendum to the law on the system of planning and the social plan for Yugoslavia, which makes it possible to use the resolutions for the next 2 years to bring medium-term tasks into line with the real material possibilities in order to avoid major disruptions in the economy.

The report on the work of the social accountancy service in 1982 was adopted and further qualified with the view that this work had been extensive and had been done successfully.

The Federal Chamber went on to endorse a proposal for the adoption of a law of the socialist accountancy service. This was a new legal formulation which was expected to help improve the work of the social accountancy service on the basis of the latest knowledge and of the economy's requirements.

One of the key questions, it goes without saying, was whether the social accountancy service should be unified or whether the social accountancy services in the republics and provinces should be given greater powers. The view which prevailed was that the service should be unified and it was particularly stressed that the service adhered to a uniform procedure and method of work all over the country's territory. Vanco Nikolovski, vice-president of the Federal Chamber of the SFRY Assembly, provided an extensive explanation of the need for the adoption of this law, which was still being dealt with by the assembly on a procedural basis. Stressing the great significance of this legal project, he pointed out a series of dilemmas and perplexing points, as well as concrete proposals which should make it possible to ensure a higher level of financial discipline in the country.

The chamber went on to adopt a report on the work of the federal secretariat for foreign affairs and a report on the work of the Federal Institute for International Scientific, Educational-Cultural and Technical Cooperation in 1982. The activities of these institutions were judged as having been very significant and both were said to have made efforts in the direction of economies and rationalization.

Federal Chamber delegates also expressed their support for a report on the work done in 1982 by the federal secretariat for information.

Delegates also heard an expose by Dr Djordje Jakov Jevic, chairman of the Federal Committee for Labor, Health and Social Policy. After a short discussion, during which a considerable number of new proposals were made on how to improve the situation in the field of health and social policy, the Federal Chamber adopted the report on the work of the Federal Committee for Labor, Health and Social Policy, as well as a report on the work done in 1982 by the federal bureau for questions of employment. The chamber found that these two institutions had successfully carried out their tasks in 1982.

The Federal Chamber went on to adopt the report on the work of the Federal Committee for Veterans' and Military Disabled Affairs and a draft law on changes in the law on the basic rights of disabled veterans and families of fallen veterans. Delegates also adopted a decision endorsing the statute of the Josip Broz Tito Memorial Center.

Tonight the chamber also adopted draft changes and additions to the social contract on the organizing of education for SFRY citizens temporarily employed abroad. Also approved were the foundations and directions of the further development of Tito's fund and a social contract on the setting up of Tito's fund for grants to young workers and workers' children in Yugoslavia.

The Federal Chamber will resume work tomorrow.

#### Chamber of Republics, Provinces

LD282302 Belgrade TANJUG Domestic Service in Serbo-Croatian 0838 GMT 28 Jul 83

[Excerpts] Belgrade, 28 Jul (TANJUG)--The Chamber of the Republics and Provinces today held a session in the SFRY Assembly. Under the chairmanship of Antun Bubic its delegates, together with members of the Federal Chamber, listened to the report on the long-term program of economic stabilization and then discussed this important document.

The delegates expressed support for the commitments contained in the long-term economic stabilization program and urged that the problems of business operations should be solved in a comprehensive manner and that responsibility should be increased.

The Chamber of the Republics and Provinces today adopted several decisions concerning the country's balance of payments and foreign exchange and the adoption of Yugoslavia's social plan until 1990.

The first participant in the discussion, Nusa Kersovani, spoke especially about the need to elaborate the program of implementation of the stabilization program in every place. There will then be real differentiation between those who will truly strive for the implementation of the program and those who will only support it verbally or not at all.

Speaking about what has been missed, Berislav Sefer said that the assembly should have used the public character of the Commission for Stabilization to discuss each section separately in order to actively participate in the work on the final document. In this way the entire delegate system should also be more mobile as regards the implementation of the program and there would be no observations that not enough time has been given to the examination of this program.

Dusan Gligorijevic said that the adoption of the long-term program would prevent the possibility of exploiting the difficult economic situation for an attack on self-management. The program in fact affirms self-management as the only way

to overcome this situation. Of course, in the first phase of the implementation of the long-term program, we will be faced with numerous difficulties as a consequence of the commitment to considerably reduce the entire expenditure in the country. There is no other way however, and we will only be able to think about higher expenditure once the economy has been sufficiently strengthened. Foreign loans will no longer be used to stimulate expenditure and we must reconcile ourselves to this, he said.

Staja Zdravkovic said that we should now consider regional development and that the working class should not allow the burden of stabilization to be unequally distributed. After all, correct regional development is an essential factor of the entire stabilization, Zdravkovic said.

The last participant in the discussion on the stabilization program, Salko Oruc, emphasized that during the adoption of measures due attention should be given to those who encourage associated labor and promote the market.

The conclusions on the long-term program of economic stabilization will be adopted by the chamber tomorrow at the end of the session.

In connection with the analysis and report by the Federal Executive Council on the implementation of Yugoslavia's social plan in 1981, 1982 and 1983, with an assessment of the possibilities of development in 1984, the chamber adopted conclusions noting that certain results have been achieved in the first half of 1983 in spite of the fact that aims and tasks determined by the socio-economic development policy in 1983 are not being implemented. Industrial production in the country has been maintained with great effort at the same level as last year in this period, although the regional and sectional differences are great. The production plan is being implemented in agriculture and exports to convertible foreign currency areas and especially to the developed countries have increased, although they are still smaller than planned. Domestic expenditure, especially personal incomes and investments, is falling in real terms. Certain results have been achieved on the market as regards the supply of certain goods. The functioning of the market has also been improved through self-managing and social agreements. The tasks concerning the limits and transactions by the banks, determined by the credit-monetary policy are also being implemented.

However, the disproportions in social reproduction trends continue to be expressed and some problems are worsening. The results of business operations are getting worse and the losses are becoming increasingly higher. The productivity as well as the economy and efficiency of business operations are falling. The size of investments has been reduced but without essential qualitative changes. The tendency toward a lower growth of exports has been noted. The problem of external liquidity is becoming increasingly worse and more intense. Inflation is very high and the pressure to increase prices is constantly accelerating and growing stronger. Considerable difficulties exist in the supply of individual products, and also in the undermining of

the unity of the Yugoslav market. In spite of measures that have been taken, the material position of associated labor and the workers' influence on social reproduction trends have not been strengthened. Real personal incomes are falling more rapidly than expected in the resolution for 1983. The standard of living is also falling, and problems of the standard of living of workers with low personal incomes and of pensioners are becoming particularly bad. Unemployment, especially, in some republics and in the Socialist Autonomous Province of Kosovo, is assuming worrying proportions. The illiquidity of the economy and banks continues and some regions have not prepared any programs to improve the country's illiquidity in dinars.

The Chamber of the Republics and Provinces also considered the letter of the Constitutional Court of Yugoslavia and the initiative to assess the constitutionality of the part of the resolution concerning the policy of implementation of Yugoslavia's social plan, which determines that expenditure must be coordinated with net and not gross income. The assessment of the constitutionality of this provision was demanded by the Trade Union Federation of Croatia. After a short debate, the chamber adopted by a majority of votes the conclusion that this provision of the resolution is not incompatible with the SFRY Constitution and the associated labor law and that it does not interfere with the workers' rights to handle income.

The Chamber of the Republics and Provinces today also adopted the program of work of this assembly chamber until the end of the year. Activity will be centered on the adoption of documents which accompany the long-term program of economic stabilization and on the adoption of the resolution on the policy of implementation of the social plan of Yugoslavia next year, together with the acts which are adopted with this document.

The Chamber of the Republics and Provinces adopted the SFRY Presidency's proposals to elect Toma Granfil as a member of the (?council of the) federation. The chamber also adopted the proposal to reelect Risto Bajalski, Vojin Bajovic, Boris Bakrac, Marko Belinic, Vlado Bozovic, Peko Dapcevic, Dusan Djurdjic, Kiro Gligorov, Dr Josip Hrncevic, Radomir Komatina, Milan Krtolica, Velibor Ljubic, Vukalica Milutinovic, Milija Radovanovic, Dr Joze Vilfan and Milorad Zoric as members of the Council of the Federation.

The chamber relieved Zoran Miskovic, secretary to the chamber, of his duty to take up a new post and elected Miladin Stevanovic, hitherto assistant secretary, in his place.

The Chamber of the Republics and Provinces continues its work tomorrow.

## Foreign Economic Relations

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29 Jul 83

["Report on joint session of SFRY Assembly chambers"--TANJUG headline]

[Text] Belgrade, 29 Jul (TANJUG)--The delegates of both chambers of the SFRY Assembly (presided over by Antun Bubic) were informed by the Federal Executive Council's departmental leaders about the most recent developments in the country's foreign economic relations. Janko Smole, Dr Milenko Bojanic and Dimitrije Tasic, members of the Federal Executive Council, and Radovan Maic, governor of the Yugoslav National Bank, spoke on this subject. They provided delegates with detailed information about foreign trade exchange processes, the country's debts and the use of international credits. The domestic market situation following the "unfreezing" of prices was also mentioned.

Janko Smole, member of the Federal Executive Council, informed delegates of the situation concerning the "financial package" and the present situation concerning the use of financial credits.

I think that the decisive place is occupied by the Monetary Fund, Smole said. The performance of the Yugoslav economy in the first half of the year is on the agenda of a session to be held by the Monetary Fund today. You know that, in dollar terms, we should get \$620 million from the Monetary Fund. We used \$378 million in two installments in the first half of the year and \$242 million remains to be obtained from the Monetary Fund. At their session today the executive directors are to solve the question of the so-called third slice of \$110 million, which would come into effect on 15 August. The remaining \$132 million dollars is tied to the fourth slice, some time in November.

I should like to stress that certain problems are emerging in connection with the Monetary Fund. These problems have been particularly relevant over the most recent period. The Monetary Fund's view is that certain trends in our country are in excess of the declared targets. Here I mean primarily trends in the field of joint and general consumption.

I would not dwell so long on this aspect of the Monetary Fund and our obligations to it if I did not consider this to be our primary internal stabilization task; the reduction of this joint consumption is our very delicate and responsible task, and without this it is difficult to count fully on achieving this export orientation to the convertible market and without it the economy will lack the support needed to encourage it to channel the appropriate resources into higher exports to the convertible area.

Secondly, in connection with the Monetary Fund, I should like to mention that the use of this third slice, to which I have already referred, is dependent on the prior completion of all overdue payments to foreign banks, so all overdue payments concerning either the principal or the interest must be liquidated. I think that this is a condition on which federal organs are now working hard

on the basis of the regulations and laws adopted in the federal assembly, and above all the National Bank is pursuing energetic actions to clear this up. This is the first thing to which I wanted to draw your attention.

The second participant is the World Bank, with credit which is not aimed at financing individual investment projects but represents credit for what is known as structural adaptation. This credit has been approved to the amount of \$285 million. The Belgrade Bank invited applications and published the conditions for the use of this loan on 22 July. It will be necessary to give this full attention because some of the conditions are quite stiff. You know that the purpose of this credit is to encourage exports [word indistinct]. The intention is not just to encourage exports of finished products. The credit is primarily intended for those work organizations that are to a greater extent representative of the broader Yugoslav products and which consequently make higher foreign exchange effects possible.

We have another obligation to the World Bank: We must send the first 10 applications to them for checking, to enable the World Bank to establish whether these credits, granted by the Udruzena Beogradska Banka, which administers the credit, are in accordance with the criteria agreed between Yugoslavia and the World Bank.

I should not like to take more of your time over this, but this certainly represents a great opportunity for us to make the maximum use of this credit now in the second half of the year. We now have an opportunity to use \$170 million in the first next stage, which could represent a significant basis for improved foreign exchange liquidity during the remaining months of the second half of the year.

The third element in this package which I would like to mention is the International Settlements Bank in Basel. This bank performs specific tasks in the field of coordinating the work of the central banks and acts by providing some kind of anticipation of specific and in principle approved financial programs, such as this financial program of Yugoslavia. We have so far received, in principle, 500 million [currency not stated] from this bank and only 300 million has been placed at our disposal. Out of this sum of 300 million a 50 million portion has already been returned and the remaining 200 million [figures as received] should be returned, I believe, by 15 August. Now, during the remaining months--the whole of this short-term arrangement is in force until 15 November--we should activate the remaining 200 million.

I shall now move, Smole continued, to the next item which represents the main part of the financial support of the greatest importance. That is the question of the commercial banks. I do not need to repeat that this concerns, on one hand, a short-term credit to the amount of 600 million [currency not stated]. At the same time it concerns the second part of the refinancing transaction to the amount of 1.4 billion of repayments due on the basis of the principal in 1983, and on the other hand it concerns the regulation of this package of short-term credits, not for this year alone but for a period of 24 months. This regulation of short-term credits for a period of 2 years would considerably improve prospects in 1984.

In connection with this credit, you know that this action is being pursued with the joint representative of these commercial banks, the so-called international coordination committee. According to available data, this concerns about 620 banks, and these banks were given until 27 July to make any observations on individual formulations concerning the text of these agreed documents.

We assume--although there may be many particular surprises in this respect--that agreement will be reached with these numerous banks on the basis of the agreed documentation after successfully conducted negotiations by the international coordinating body. It is assumed on the basis of this that the signing by the Yugoslav recipients of the loan--which is to say all the Yugoslav banks authorized to deal with foreign countries, plus the National Bank and plus a representative of Yugoslavia, of the Yugoslav organ--will take place on 15 August.

At the end of his report Smole stressed that the Federal Executive Council of the federal organs are now working hard to have a complete view of the balance of payments situation and the repayment of debts and financial obligations in the post-1983 period both with regard to the further medium-term periods and the period covering primarily the year 1984. I think that this year's experience has taught us to do so, in other words that this time factor is very important and that action should be initiated in good time.

Milenko Bojanic, member of the Federal Executive Council and federal secretary for foreign trade, spoke about export results and goods credits.

We can state that trends in the field of foreign economic relations in the first half of this year were more favorable than in the same period last year. According to data supplied by the Federal Institute for Statistics, the export of goods in the period from 1 January to 21 July this year stagnated as a whole in comparison with the same period last year, but this was the consequence of a certain drop in exports to the clearing area, while exports to the convertible currency area rose by nearly 14 percent.

An encouraging fact is that exports to the Western developed countries, that is markets where competition is at its stiffest, selling at its most difficult and stagnation of demand for imported goods obvious, continued to run during the first half of the year at a level close to the planned level of 20 percent and has now in July, perhaps momentarily, reached that level. These results are all the more significant as the countries concerned are those where our obligations and debts are the heaviest.

In the same period imports dropped by 8 percent. Imports from countries with the clearing method of payment rose by 4 percent and from the convertible method of payment dropped by 13 percent. Imports of reproduction materials dropped by 9 percent as compared with last year and imports from developed and developing countries: [as received] dropped by about 16 percent. The drop in the imports of reproduction materials naturally influenced supplies for production, causing production stagnation, and had an effect on export results.

As a result of these trends in foreign trade our trade balance deficit dropped by \$1.3 billion, out of which \$1.2 in trade with the convertible area, in other words a reduction of 31 percent. As compared with the same period last year the extent to which imports were covered by exports rose from 76 percent last year to 81 percent this year, and trade with convertible area increased from 55 to 72 percent. In the first 5 months of this year the foreign exchange income for services increased by 20 percent (in the case of the convertible area 13 percent) and while the foreign exchange inflow from tourism cannot yet be assessed with accuracy, the beginning of the season indicated that last year's results will be slightly exceeded. The net inflow in the form of money orders from abroad was slightly lower and spending on interest was lower than planned.

I do not think that we are on the wrong road in our efforts to achieve our export goals. It is obvious that the economy is highly export-oriented. That is good, especially when it concerns the countries that are our biggest creditors and the countries with which we have the highest trade deficits. This trend should be maintained. The (?motive) for this no longer seems to me to be simple insistence on higher exports, but primarily on better supplies of raw materials and reproduction materials, higher production levels and also higher productivity, increased volume of services provided to foreign buyers, and a battle for price and quality.

The second half of the year will offer greater opportunities to import reproduction and raw materials, primarily due to the fact that the credits we have obtained are now taking effect; then on account of the more favorable conditions for imports intended to raise exports, which now allow the importing of 65 percent of the materials needed to build export products; then also on account of better opportunities for finishing and compensation transactions; as well as on account of the importing of crude oil and raw materials on the basis of our claims for capital building in foreign countries.

The organizations of associated labor and their associations, especially within the framework of the mechanism of economic chambers, and the business banks are faced with the great responsibility for getting themselves efficiently and rationally organized and exploiting the newly-created possibilities for importing raw and reproduction materials intended primarily for production of goods intended for export. This means export to the convertible area. In assessing the results achieved in foreign trade this year one must also take into account the fact that a fall in exports was recorded in the second year of last year, that in the past period this trend had to be reversed, and that conditions had to be created to further increase exports in the period to the end of the year, Bojanic stressed.

If one takes into account the rational distribution of exports and with foreign countries in the first 6 months of this year we see that better results were achieved in relations with the developed countries of the West.

Under the influence of the protection policy, especially in the EEC, significant restrictions are imposed on our efforts to achieve better export results in a number of sectors. Owing to this the expected export of agricultural food

products, textile, clothing, footwear, chemical and metal products, furniture and so on did not materialize. For example, at this moment of all of the developed countries of Europe we can freely export our textiles only to Switzerland, while in all the other countries we have major problems in marketing these products, despite the existence of demand for them and our competitive capability of exporting to these markets, Bojanic stressed.

Talks are to begin shortly between our country and the EEC on new solutions in the field of agricultural produce. In the industrial sector, meetings between economic organizations and associations will be stepped up.

In September we will begin to review the concrete possibilities with the European Free Trade Area countries for the promotion of our exports and for long-term production and technical and technological cooperation with them. The success of this action will depend primarily on the initiative shown by our organizations of associated labor, and on their ability to use all possible contacts to establish long-term programs to promote trade exchange and industrial cooperation with this area.

It should be noted that our businessmen believe that these countries' markets are small, that they are not attractive, especially if one takes into account the fact that they have very high demands with regard to quality and the range of products.

However, on the other hand, where major markets are concerned, such as the United States, there are different problems, because of the need there for a very highly organized approach, with production based on a large range of products, supply and strict respect for delivery dates, quality and standard.

A 4-percent growth in exports to developing countries, as compared with the same period last year, cannot today be considered satisfactory, because these are countries whose markets are constantly expanding and which enable us to put more of our products on the market, especially industrial products and equipment.

The development of the higher forms of economic cooperation--and I have in mind here industrial cooperation, mixed enterprises, and the like--is the most promising way of expanding cooperation with the developing countries. It ensures continuity on an equal footing, and irons out the oscillations present in our exchange.

Our exports to the socialist countries account for more than 45 percent of our exports and cover a wide range of products, from raw materials to fully finished goods. The imports from these countries include very important commodities, such as raw materials and semi-finished goods, Bojanic said.

Once again it has been shown that we have the most stable exchange with those countries and those commercial partners with whom more developed forms of long-term cooperation exist. For this reason in the coming period our organizations of associated labor must establish, wherever possible, more

lasting forms of commercial cooperation, such as industrial cooperation, specialization, joint investment, scientific-technical cooperation, etc., with foreign partners. This should, of course, in my view be done in cases where the economic interest and opportunity for inclusion in the international division of labor exist, as well as the prospect of marketing our products on foreign markets on a more long-term basis.

This year efforts are being made to stimulate exports through the use of reciprocal arrangements and, in principle, approval has been given for ventures where the exports have the higher value. (?This is) an important criterion for approving the importation of, in particular, raw materials and semi-finished goods, which are in short supply on the Yugoslav market. In the first 6 months of this year reciprocal arrangements amounting to about \$1.8 billion for exports and \$1.5 billion for imports were approved. However, less than 33 percent of the approved demands for these arrangements have been realized. In Yugoslavia's overall foreign exchange they account for 11.4 percent of exports and 9 percent of imports.

Reciprocal arrangements have had a positive influence on maintaining the continuity of production. In some branches of industry and enterprises this was crucial at the start of the year, particularly in those branches where supplies of semifinished goods were severely hampered--the textile industry, footwear, the chemical industry, and so on.

The active and responsive dinar exchange rate policy this year has meant that the dinar has been the basic motivation for export and guarantee of competitive capacity in exports. This exchange rate policy justified the lowering of the rate of dinar incentive for exports and the withdrawal of certain incentive instruments, all of which took effect on 1 July this year, and the previous freezing of criteria for calculating stimulation measures throughout the whole year.

Even though certain results are being achieved in exports, the inflow of foreign exchange revenue into the country is proceeding more slowly than the physical exports, which is also hampering our liquidity in payments to foreign countries. It will obviously be necessary to establish firmer commitments for bringing foreign exchange into the country and greater responsibility and strict sanctions regarding the failure to fulfill legal obligations in this sphere.

Bojanic then spoke about using commodity credits. Within the framework of the credit packets from the International Monetary Fund, the International Bank, the Basle Bank and the Commercial Bank, there are also 15 inter-state credits. They have an important place in relation to the Bern memorandum signed on 19 January and represent a total of \$362 million, though this changes with fluctuations in the rates of exchange of the national currencies. These credits are made up of three parts. The first are new credits financially expressed--that means new money. The second is the refinancing of Yugoslav commitments that mature in 1983. The third is export credits, and this is what we call commodity credits.

The third part of the Bern agreement is composed of exports or commodity credits that our country can use this year and, in part, next year, in Italy, for instance. Commodity credits were offered by all countries except Great Britain. However, in keeping with international regulations and national legislation, the majority of countries offering commodity credits approve these credits only for equipment and durable goods, i.e., machines and other such supplies. A major unresolved problem has been agreement with some countries to change this and use the credits for purchasing raw materials and semi-finished goods worth \$939 million, which, when added to the \$275 million in credits from the International Bank, makes over \$1.2 billion available for semi-finished goods and raw materials.

As already mentioned, the majority of states have calculated that Yugoslavia will use the large part of commodity credits for acquiring machines and equipment. The law we have adopted in the assembly has made it possible for us to start altering this at the negotiating table. Our stand has met with certain formal and legal difficulties where certain countries are concerned, primarily as a result of essentially diverse economic interests, Bojanic said in conclusion.

Radovan Makic, governor of the Yugoslav National Bank, also spoke during the session. He, too, spoke about our new debts abroad and the possibilities for making the payments now due. As you know, Makic said, the commercial banks' package is very complex. Conditions are exceptionally complex and stiff. They are linked with major obligations which we, in the course of their realization, must meet.

One of the most difficult and serious prerequisites or conditions if this package with all five elements linked to it is to function, is the obligation contained in our guarantees that by 15 August we shall pay all the remaining arrears on the principal and on the interest that are not being rescheduled. There must not be one single case of arrears unless we want to risk all the very stiff and complex clauses which, as you saw, are based on our country's guarantees.

In order to ensure the repayment of the principal we have also adopted the law on ensuring liquidity in payments. The legislators' aim and basic intention was to construct a mechanism that will not allow the country to delay payments after signing an agreement.

I apologize for this digression. I speak about this so as to prevent the impression that it is all over now and to prevent excessive optimism, though optimism is indispensable in moments like this.

Already in the first stage of the implementation of this law we encountered several major legal, material and cadre problems. You have seen that this law is by itself very complex. It also had to be adapted and this had to be done quickly. It had to be adapted to a very complex, exceptionally complex organization of the banking mechanism in Yugoslavia.

In the first swoop we blocked 12 banks in Yugoslavia. Later this blockade was lifted as the banks were meeting their obligations and we succeeded in paying all our banks' obligations concerning the payment of interest, with the exception of one--and the amount is small and I hope that that too will be paid no later than Tuesday, because we paid the rest long ago. I mention this because it surprises me that we had to use coercion, apply the law, to ensure that most of these arrears were paid. Practice showed that most of these funds were found when we applied the law strictly.

I do not want to tire you with this, but we found ourselves in the situation that we had to pay arrears on interest and this amounted to \$125 million in the case of one bank alone. I want to state that as of today all the banks in Yugoslavia except one have paid arrears and interest. We shall see what happens in August.

If we do not succeed in restraining inflation this year--and no one has found a way out of economic crisis with inflation running at the rate of 40 percent, at least not that I know of--we will find ourselves in the situation when we shall have to further stiffen the already restrictive monetary policy; in other words, we shall cause a further contraction of credits and leave part of the solvent economy without the funds for current reproduction. If we do not restrain and radically reduce inflation next year, we shall also experience additional difficulties in our relations abroad, especially with the IMF and, it goes without saying, we shall also suffer the effects on our own economy, Makic concluded.

Dmitrije Tasic, member of the Federal Executive Council, spoke about the consequences and effects of lifting the price freeze. We have rescinded the decision on price-freezing. We have abandoned that system but as you have seen, we have not abandoned the controlled growth of prices. It will clearly be an integral part of our conduct and life for a long time to come, until we are able to step in with economic measures, or to create the conditions for economic laws to operate.

The classification of products and services in the price-freeze system was in fact carried out by associated labor through the relevant communities and associations in the economic chamber of Yugoslavia. The category in which the highest prices were pegged still contains a small number of products whose value amounts to 7 percent of total industrial output. They are primarily oil, gas, oil derivatives, processed chemical products, medicines and tobacco.

The category of price list verification comprises about 47 percent of the output of industrial production and services. We are talking here primarily about products of major importance to the functioning of production such as energy, transport, ferrous and nonferrous metallurgy, base chemistry, part of processing chemistry and naturally some products in the metal-processing industry, basic foodstuffs, cattle feed and some others.

The category of so-called price-monitoring comprises 45 percent of industrial output value. In the past this system has normally been seen as a liberal way of setting price levels, which is not the case here, and I shall say something more about this. On the whole we are talking here about consumer goods, equipment, products made for individual or specialized orders, alcoholic and nonalcoholic drinks and certain other goods.

However, the prices of goods and services in the price-monitoring category cannot be applied immediately, as soon as the price lists are submitted by the competent organizations for prices, but only after 30 days have elapsed. During these 30 days the competent organizations for price affairs will verify and assess the degree of coordination between the price lists, price levels, and the agreed prices policy. This includes the possibility of returning the price lists and demanding a stiffer price code if the prices are not in line with policy.

As to prices of goods and services in the competence of the republics, provinces and municipalities, a decision by the Federal Executive Council adopted--I would like to mention--on the basis of agreement between the executive councils of the republican and provincial assemblies, and relating to goods and (?services) important to reproduction and living costs, has laid down the obligation to submit price lists for verification by the competent organization for price affairs. These goods and services are, however, divided into two groups. The first comprises electrical energy, coal but not coke, natural gas, passenger transport in the public sector and post and telephone services, whose price shifts entail obligatory cooperation by all the competent organizations for prices affairs within the framework of the federal community for prices affairs.

Moreover, this cooperation and the submission of price lists for verification must be preceded by a jointly agreed proposal for a maximum price level up to which the organizations of associated labor can set prices for their goods and services in their price lists. This jointly agreed proposal for prices in the organizations of associated labor concerned is made within the framework of the relevant Yugoslav community or association within the SFRY Economic Chamber.

The second group includes goods such as timber, veneers, cellulose, paper and certain other goods on which the competent organizations for prices are to agree among themselves. In this way we believe that associated labor will be able to play a far greater part, in terms of decision-making and responsibility, in implementing the prices policy. However, as these decisions pertaining to the price control system were adopted under very complex economic conditions, when direct and indirect pressures on prices are so strong that there is a real danger of all envisaged price levels going through the ceiling, the Federal Executive Council has set out two additional conditions in its pricing decisions which must be met in order to gain the right to initiate the procedure to raise prices. They are, firstly, that the intended price rise should be based on self-management agreements with the customers and consumers of their goods, whereby clear confirmation will be given that the customers are indeed in agreement with the increase, which means that the ultimate consumers must be

included in the negotiation over the actual price rise intended. Secondly, that the intended price rise cannot, as a rule, take prices above the level of export prices and that this condition should apply to all products in the reproduction chain. These two conditions must also be met when products and services in the so-called price-monitoring category are in question. Here, therefore, are another couple of conditions that must be met by organizations of associated labor whose prices or products are in the price-monitoring category.

I must point out that the Federal Executive Council sees the undertaking of all necessary measures and activities to revive production and reduce operating costs as an important condition for halting the growth of prices. Price increases can be avoided not only through price control systems but also the concurrent and consistent realization of our standpoints on unburdening the economy and lowering the pressures, both direct and indirect, on the growth of prices that come from production costs. It goes without saying that this implies a speeding-up of the work on reprogramming internal debts, reducing credit relations, reviewing the rate of turnover tax, the formation of market reserves, and lowering general, joint and, in particular, investment expenditure.

The Federal Executive Council has also adopted a special program to implement the prices policy after the prices-pegging decision is no longer valid. We are talking here primarily about operative measures such as: the reviewing of all self-management agreements and contracts and their verification from the point of view of their correspondence to the regulations of the price-control system decisions and the possibility of monopoly pressure. Secondly, we are also talking about unified action by the federal, republican and provincial communities on prices to ensure the maximum coordination of work and pull views together to apply criteria and conditions for increasing prices. Then, for the remainder of this year, as a rule, there should be no approval from the communities for increasing prices of new products except those that are the result of domestic scientific-technical work or in the case of organizations of associated labor where price rises are justified.

In the case of goods and services, the prices of which have been corrected this year, there will be no further shifts in prices this year, but naturally, the exception will probably be electrical energy, coal and oil derivatives.

The implementation of these measures certainly implies heightened and direct inspection control at all levels, including the confiscation of illegally acquired material benefit. And so, put simply, all regulations must be consistently complied with.

Finally, we must use all the measures at our command, to put it that way, to ensure that the inflation level this year is below last year's. It will clearly not be as hoped for but rather considerably higher. We must also make sure we speed up the drafting of measures envisaged by the plan for the realization of the long-term economic stabilization program, including the necessary changes and amendments to the law on the bases of the price system, or the possible introduction of a new law on the public control of prices, Tasic said, concluding his report.

## Conclusions on Stabilization Program

LD292122 Belgrade TANJUG Domestic Service in Serbo-Croatian 1000 GMT 29 Jul 83

[Text] Belgrade, 29 Jul (TANJUG)--Having heard at the joint session of both assembly chambers the reports submitted by Janko Smole, Radovan Makic and Dimitrije Tasic, the delegates of the Chamber of the Republics and Provinces decided that the Federal Executive Council should submit to the assembly by 15 September at the latest a complete report on the use of commodity credits and on the foreign exchange effects achieved on the basis of these credits. The chamber will discuss this again at the session to be held at the end of September.

In this connection, delegate Mustafa Pljakic asked who was responsible for the commodity credit for the imports of 40,000 tons of cotton from the United States not having been used up. We have imported only 15,000 while the remainder is waiting. He proposed to the Federal Executive Council to prepare by September a report on this and to reply by quoting the name and surname of who is to blame for this.

President of the chamber, Antun Bubic, said that this case of the cotton imports should certainly be investigated. If it is true that this cotton now costs us \$9.3 million more, that because it has not been imported on time half of the textile industry is standing idle and that from the exports which we could have realized had this cotton been imported we could have supplied the market with medicines for up to 15 months, then it is clear that one cannot pass over this matter lightly. If we do not increase responsibility now at the beginning of implementing the long-term program, we will not succeed in doing this later either, he said.

The Chamber of the Republics and Provinces also adopted the conclusions on the long-term economic stabilization program.

1. The Chamber of the Republics and Provinces is adopting the final part of the long-term economic stabilization program as a document which, together with the starting foundations of the long-term economic stabilization program and other program documents, represents the unified general social platform for the activity and action of all social subjects in resolving and overcoming more speedily the existing difficulties and in implementing stable and continuous social and economic development on the foundations of socialist self-management.

Bearing in mind the essence and significance of the changes proposed by the long-term economic stabilization program and its significance for the unfolding of prospects for the country's further dynamic development, the chamber stresses in particular that it is necessary to ensure that society, all self-managing organizations and communities and all levels start without delay the organized and unified implementation of the program by all socialist self-managing forces, all working people and citizens.

2. The chamber stresses in particular the need to rely on our own forces above all for the maximum use of all natural, material, human and other potentials, of all the resources our socialist society has at its disposal. In all social environments measures and actions should be undertaken to use fully the available possibilities, to achieve maximum saving and more rational use and disposal of social resources.

The broadest affirmation of work and creativeness represents the essential conditions for the implementation of the policy of relying on our own forces, including in particular the development of science and use of scientific knowledge and technical and technological progress.

3. By proceeding from the assessments presented in the long-term economic stabilization program, the chamber states that the consistent implementation of the position of workers in the entire relations of social reproduction, a position laid down by the SFRY constitution and by the law on associated labor, and in particular the further and speedier development of self-management, of income-based socioeconomic relations, protection of social property and consolidation of socialist morals represents the way to overcome numerous negative trends and tendencies in various spheres of socioeconomic life.

The implementation of the long-term economic stabilization program represents the most direct class interest and the need of workers and working people as well as the condition for more consistent and fuller ensuring and implementation of their constitutional rights, duties and responsibilities and their leading role in our socialist self-managing society as well as the lasting interest of all nations and nationalities, of the republics and autonomous provinces.

4. The chamber believes that to implement consistently the long-term economic stabilization program it is necessary to carry out changes everywhere and without delay in an organized and coordinated manner, in economic life, in social policy and in all activities, and to determine specific programs and operative plans for their realization, bearing in mind that the envisaged changes, due to the serious disruptions in economic trends, call for long-term activity and for determining the dynamics of their implementation by stages.

Creating stable conditions of economic activities, implementing economic laws in the business activities of organizations of associated labor, ensuring greater income-based motivation of direct producers for economic, productive and profitable economic activity, increasing responsibility for the disposal and management of resources in social ownership, pooling labor and resources in social ownership, pooling labor and resources on the unified Yugoslav market, increasing the economy of work and social resources along with the maximum commitment of available material and cadre potential will ensure the conditions for an increase in production and a change in the economic structure, for the coordination of goods-monetary relations, the achievement of the convertibility of the dinar, an increase in exports and a more efficient participation in the international division of labor.

To implement the long-term economic stabilization program, it is of particular significance to create conditions for greater productive employment, in particular of the young generation and its more efficient participation in all economic and social activities.

The chamber stresses that in implementing the long-term economic stabilization program an active social policy should be pursued and at the same time social problems and consequences which could arise should be resolved and care taken to protect the standard of living of the working people and citizens with the lowest incomes.

5. The long-term economic stabilization program will be implemented in current international conditions, which are marked by an increasing trend to shift the grave consequences of the world economic crisis onto developing countries. The fundamental thing is for us to mobilize all existing resources for the strengthening of production forces and the Yugoslavia's position as an independent and nonaligned country. By consolidating our international position and prestige we shall be able to make a full contribution to the efforts to change the existing unjust international economic system and to establish a new international economic order. To implement this policy it is of particular significance to achieve well-balanced economic relations with various regions of the world as well as to further intensify Yugoslavia's cooperation with nonaligned and other developing countries, in line with the principle of relying collectively on one's own forces.

6. The chamber believes that the Federal Executive Council's plan to implement the long-term economic stabilization program represents a good foundation for further activity and that it requires the Federal Executive Council and federal organs and organizations to propose as soon as possible on the basis of their powers and jurisdictions, relevant systemic and other solutions and measures in order to overcome the present unfavorable trends and to determine on time the economic policy for 1984, in which significant initial results in the implementation of the long-term economic stabilization program should be realized.

The chamber notes in particular the exceptional significance of realizing the policy determined by the long-term economic stabilization program in the first stage of implementation. The Federal Executive Council should, within the framework of the realization of the economic stabilization policy, work out a program by the end of October 1983 that will ensure that in the first stage the changes in the reproduction process are coordinated in time and content and examine the possible alternatives and their effects on the entire social reproduction process.

In its plan to implement the long-term economic stabilization program, the Federal Executive Council will use the proposals and views expressed at sessions of working bodies and of the chamber.

7. The chamber believes that the major and complex tasks stemming from the long-term economic stabilization program could be realized above all through the further development of the delegate system and that in this all delegate assemblies of sociopolitical communities--from the municipality to the federation--play a very large role and have a great responsibility, in particular in ensuring the maximum input from delegate grassroots in implementing the long-term economic stabilization program.

The chamber and the chamber's working bodies will coordinate their work programs for the next period and determine their priority tasks on the basis of the long-term economic stabilization program.

8. The chamber calls on all delegates and delegations in the assemblies of sociopolitical communities and their executive organs, all self-managing organs in organizations of associated labor, other self-managing organizations and communities, all working people and citizens to involve themselves to the utmost, directly and within the framework of all the forms of delegate decision-making, in the implementation of the long-term economic stabilization program and to coordinate their activities, operative programs and plans as well as specific decisions and actions with the long-term economic stabilization program.

9. The chamber notes in particular that the concrete responsibility of all subjects in the decision-making process, and especially of the exponents of self-managing, public and other powers, for the consistent implementation of the economic stabilization policy is of primary importance for the realization of the established goals. It is, therefore, necessary to continuously monitor, encourage and assess the activities not only of relevant organs and organizations but also of every individual in order that possible omissions might be noticed in time and all necessary measures taken to eliminate them.

In line with the rights and duties laid down by the SFRY constitution, the chamber will implement political control and carry out social supervision of the implementation of the long-term economic stabilization program, the conclusions state.

The Chamber of the Republics and Provinces adopted the amended resolution on the implementing of Yugoslavia's social plan this year. According to this amendment, general and joint consumption this year can increase by 11 and 13 percent compared with 1982. At first it was planned for consumption to increase this year by 10 percent below the increase in income. In this way the validity of the law adopted at the beginning of the year for the first 6 months of the year has been practically extended. The part of the resources whose use is banned is exempt from consumption until the end of 1985. To immobilize money in special accounts of the social accountancy service and to make it impossible for them to be included in the working capital of banks will influence the reduction of consumption in the country.

Since the Finance Committee of the Chamber of the Republics and Provinces has not coordinated the amendment submitted by the Federal Executive Council to restrict at 19 percent the increase in resources which have the character of personal receipts--that is, of pensions, children's allowances and social assistance--this was not adopted at today's session. It was said that the proposed change was of fundamental significance and that to make views on it known at this session would exceed the framework of delegations' powers. It was therefore decided to propose to the Federal Executive Council to submit this supplement by regular procedure. Thus, the restriction on the increase in these resources will be debated at one of the chamber's autumn sessions.

The chamber also adopted the decision on the changes and supplements to the decision on the roles and tasks of the joint issue and monetary policy and of joint foundations of the credit policy this year.

At the end of today's session the Chamber of the Republics and Provinces adopted the amendment to the decision on ceding part of customs receipts to the interest community for economic relations with other countries. In line with this change by the end of this year, out of the total receipts realized by customs, instead of the present 59.7 percent, 67.2 percent will be set aside as incentive for exports. In this way the current disagreements that have arisen when businessmen have been unable to receive the envisaged resources for exported goods should be avoided.

#### Judicial Organs' Work Assessed

LD292238 Belgrade TANJUG Domestic Service in Serbo-Croatian 1125 GMT 29 Jul 83

[Text] Belgrade, 29 Jul (TANJUG)--Continuing the session which started yesterday, the delegates of the SFRY Assembly Federal Chamber today adopted the conclusions in connection with the discussion on the long-term economic stabilization program which was held very extensively yesterday. The text of the conclusion is identical with that adopted by the Chamber of the Republics and Provinces today.

In continuation, the delegates considered the report on the work of the federal judicial organs in 1982. In this connection, the work of the Federal Court, the Federal Public Prosecutor's office and the federal public attorney's office was especially analyzed. Stojan Djuranovic, president of the Federal Court, spoke on the report on the Federal Court's work during the past year. He emphasized that in the past year the court made a decisive contribution to the united application of federal laws by the regular courts and other organs. The role of the courts in initiating and adopting the laws and other provisions was also notable. Djuranovic also emphasized that good results were achieved in the cooperation between the Federal Court and the supreme courts of the republics and provinces, as well as the supreme military court.

After stating that the court's independence and autonomy with regard to its decisions has never been brought into question. Djuranovic dealt more extensively with the work of the regular courts and the problems which accompany their activity. He stated that because of the unsatisfactory material stimuli and ban work conditions there is an increasing problem with cadres because people are taking other jobs. He said that a solution should be found because the courts need the best legal cadres.

Milos Bakic, federal public prosecutor, spoke about the report on the Federal Public Prosecutor's office. He emphasized that last year the Federal Public Prosecutor's Office set as its main aim the united application of federal provisions in all fields, especially in the field of political crimes and economic offences. According to Bakic, the number of registered political crimes and the number of people charged with them fell by 13 percent as compared with 1981.

Almost one-half of these crimes were committed in Kosovo. Economic crime is increasing and this tendency is causing special concern. Bakic said that the number of economic offences also increased last year as compared with 1981 and that other crimes, except those against self-management, also increased.

Drago Dragojevic, federal public attorney, gave some details relevant to the discussion on the report on the work of the Public Attorney's Office in 1982. He stated that in relation to 1981 this organ increased its volume of work by about 24 percent and that this tendency continues. The Public Attorney's Office made its contribution to the observation of legality and this activity will be intensified in view of the tasks emanating from the stabilization program, Dragojevic said.

The reports by the judicial organs were then discussed. Proceeding from the statement that social property is seriously threatened, Dusan Pekic observed that from these reports it is impossible to grasp all the measures that must be taken.

In connection with this point, information on vagueness and loopholes in legal provisions and information on the phenomena of violations of the law was also discussed. Delegate Vanco Nikolovski objected to the fact that more details were not given about the reasons for offences, criminal acts, economic offences and so forth. It seems to me, he said, that certain legal acts even encourage such behavior. He also stated that there are laws that do not fully elaborate all the problems, thus making different behavior by the people possible. Referring to the reports on the courts and public prosecutor's offices, Mustafa Sabic advocated the strengthening of the role of these institutions and, if necessary, also a change in the legal provisions in order to protect social interests more fully.

Borislav Krajina, federal secretary for judiciary and organization of federal administration, also spoke on the reports by the judicial organs.

In our view, Krajina said, some questions in the field of judiciary deserve special attention: prompt and efficacious work by the judicial organs, the question of penal policy and the question of preventive activity by judicial organs.

As regards prompt and efficacious work by our judicial organs as a whole, I believe it can be said without reservation that this represents the greatest problem. Because of the pressure of time and lack of efficiency, the quality of our judicial organs work is also suffering. Apart from this, these problems also represent a danger which threatens the confidence, authority and social prestige achieved by our judicial organs.

It must be said above all that the question of promptness mostly concerns the work of the lower, that is, municipal or basic judicial organs and courts. There are two reasons for this:

There is a constantly increasing number of cases which require decisions and solutions concerning the violation of legal relations of either a criminal or property nature and which (and this should be studied and analyzed in greater detail), through the decentralization of jurisdiction, have been mostly transferred to the municipal and basic courts which, however, it seems to us, are objectively unable to cope due to too many insufficiently experienced cadres.

In this connection there is another question: Should and could all municipal courts have the same jurisdiction--in other words, is it realistic and possible to automatically transfer the jurisdiction through decentralization to the existing organization of judicial organs and thus transfer most of the judicial cases to the municipal courts.

As for the penal policy, it has been and still is the subject of attention of the judicial organs and other concerned bodies, especially when the penal policy concerns the perpetrators of political and economic crimes. There are differences in sanctions not only among courts but among different regions in the country, which usually stem from applying the principle of individual consideration of offenses and offenders. However, it is very significant that there are no differences in the penal policy arising from different considerations by courts and public prosecutor's offices of the general social danger, especially as regards political and economic crimes and their perpetrators.

In view of its sociopolitical importance, the penal policy must be still more the subject of attention not only of judicial organs but of the corresponding sociopolitical factors outside the judiciary.

In our view there are enough forms and channels for federal judicial organs, within their constitutional and legal jurisdiction, to influence questions and problems linked with the penal policy, which is especially important in protecting society from harmful activity as well as for helping to achieve economic and social stabilization, Krajina emphasized.

The performance of the preventive function by the judicial organs in the system of social self-protection represents an obligation and task which increasingly dominates the work of these organs. This obligation required the judiciary to adapt work and organization methods to these needs, and--at least in our opinion--they are also being successfully implemented as a constitutional and legal function. However, the practice of the judicial organs in carrying out this function in the system of social self-protection depends not only on the judiciary organs but also to a large extent on the work of other organs and organizations involved in the functions of self-protection. The observations sent by the judicial organs to corresponding groups are not yet disseminated widely enough, but are accessible only to a narrow (leading) body. Such observations and information are seldom released among the working people in the basic organizations of associated labor or among the citizens in the local communities who, as we know, should be the upholders of social self-protection.

I consider it my duty, Krajina said in conclusion, to emphasize on this occasion the contribution made by the Federal Court to the elaboration of a common view among all supreme courts that the agreements on the alienation of property of the Serbs and Montenegrins in the Socialist Autonomous Province of Kosovo, concluded under various pressures designed to undermine the equality nations and nationalities and destroy brotherhood and unity, can be qualified as invalid on the basis of the presently existing provisions of the law on obligatory relations (Art. 108).

Milenko Andjelic then spoke as the spokesman of the Committee for Internal Affairs. He criticized the fact that the reports were discussed so late, considering that they dealt with very important problems.

The chamber then adopted all reports, stating that the judicial organs successfully performed their work in 1982. It was emphasized that this should continue because it was very important from the point of view of struggle for the implementation of the long-term program of stabilization.

Then the delegates considered the report on the work of the Federal Secretariat for Justice and General Administration in 1982. Federal Secretary Borislav Krajina submitted the introductory report. He emphasized that the report continued details about the situation in the fields of justice, administration, property and legal matters and the information of the federal organs and pointed out some basic traits.

According to Krajina, the situation in the judiciary fields is satisfactory, although the work of judicial organs still reflects certain shortcomings, one of which is the problem of promptness on the part of the courts. A large number of cases, insufficient number of judges, complex judicial procedures and inexperience of some cadres prevent more prompt and thorough work. Borislav Krajina emphasized that the judicial organs, as well as all social factors should undertake measures and actions which will improve conditions for strengthening the constitutional position of the judicial organs and ensure more efficacious and qualitative work.

Speaking about the self-managing judiciary, the federal secretary for judiciary said that in order to improve the efficacy of the courts of the associated labor it is also necessary to (?adopt) procedures corresponding to the nature of disputed relations they are supposed to solve. The preparation of the law on this procedure is underway, and the theses should be ready by September.

Borislav Krajina said that last year and this year the secretariat had tried its best to prepare a program of further transformation of the federal administration, noting however that the secretariat alone could not be responsible for its implementation.

In connection with the legal property matters, Krajina emphasized that records are now available on the resources and means used by the federal organs, including business premises, housing accommodation, premises used for representation and equipment. Order, discipline and lawful behavior of the organs have been introduced, he said.

As there was no discussion on this theme after the report by Borislav Krajina, the chamber adopted the addenda to the law which temporarily bans the use of resources of the sociopolitical communities and self-managing interest communities for social activities in 1983. This, in effect, prolongs the existing decision on the growth of resources for expenditure, immobilizing the part of the resources of the sociopolitical communities above the 11 percent increase over the previous year and of the self-managing interest communities over the 13-percent increase. This does not apply to personal incomes.

The immobilization of resources will help to slow down the inflation and compel the users to reexamine and adapt their rules on rights to the material possibilities of society.

#### Chambers Discuss Responsibility

AU292023 Belgrade Domestic Service in Serbo-Croatian 1700 GMT 29 Jul 83

[Report by Bozidar Veljkovic and Momcilo Boskovic on the SFRY Assembly session in Belgrade on 28 and 29 July]

[Text] Yesterday's speech of Milka Planinc, president of the Federal Executive Council, at a joint session of both assembly chambers on the long-term program of economic stabilization, then the discussion which was conducted by delegates, and the conclusions which they adopted today smack, among other things, of demands for increased responsibility. Responsibility is stressed as a precondition for implementing the stabilization program.

Delegate Mustafa Pljakic pointed to this problem in his way today. Foreign loans, the use of these loans, or the responsibility for every dollar that we receive from abroad were discussed. In this connection, Pljakic mentioned the use of commodity credit for using 40,000 tons of cotton from the United States. The discussion on the use of this credit has been so long, and the pertinent organs have worked such a long time on creating the conditions for using this credit that only 15,000 tons of this credit was used, and this has vitally influenced production, particularly that intended for export.

Mustafa Pljakic wanted to know who was responsible for this. He wanted to know the name of the persons, the name of the organ, the names of individuals, and how has this occurred.

Milovan Markovic, president of the Committee for Economic Relations With Foreign Countries, said that members of the committee also raised this question, or rather that they, too, are awaiting a reply from the Federal Executive Council.

Antun Bubic, president of the Chamber of the Republics and Provinces, was even more specific. He said, and we quote, if it is true that this quantity of cotton is now more expensive by \$9.3 million than at the time it was approved, if it is true that nearly half of the textile industry capacities are standing idle because there are no raw materials for production, if it is true that this sum of foreign exchange could ensure the imported quantities of raw materials

for the production of medicines to cover the country's needs for 15 months, then I believe one should not wait to take certain measures. Specific responsibility, both the individual and collective responsibility in behavior, must be expressed. If at the beginning we do not start as we should in realizing commodity credits--and, [word indistinct], this was the case with cotton--then I do not believe that later we will be able to improve much.

Already on the first day when they adopted the conclusions on the stabilization program, delegates of the SFRY Assembly, it appears, approached the problem of intensified responsibility.

According to delegates in the Federal Chamber, the situation in the field of the judiciary is mainly satisfactory, but work of these organs is still accompanied by weaknesses and problems, of which a lack of promptness in work of the courts are most important. A large number of cases, an insufficient number of judges and the transfer of authority to the basic courts having inexperienced cadres are other problems. There is quite a lot of lack of coordination of the criteria between certain courts. Mustafa Sabic, delegate from Bosnia-Herzegovina, pointed to this problem. Namely, when pronouncing punishment for plunder, for which the law explicitly envisages also a confiscation of property, certain judges do not apply this measure. What kind of arbitrariness of the individual judges is this, this delegate asked. He thinks that this is impermissible because people talk that certain people, who usurped, embezzled, or plundered social property up to 20 billion old dinars, return home as rich men after serving their punishment, a prison term of 5 or 6 years, Sabic said.

Dusan Pekic, delegate from Croatia, holds a similar view. He believes that social property is threatened on a broad front. Rents and communal services are not being paid, and no case has been known so far that someone was made responsible for concluding contracts which caused great losses for the community. This also refers to the use of approved credits for other purposes than they have been approved. It appears, Pekic said, that the view becomes implanted in our country that if the self-managing organs cause damage to the social property they do not have to account for this, as that their organizations had created this property and not the community as a whole. No one can be freed of responsibility, irrespective whether the self-managing organs or individuals are involved. There must not be any differences in this respect.

In the assembly today, Jozef Florjancic, federal secretary for finance, said: "We are mistaken if we believe that the long-term economic stabilization program can be implemented solely with the help of financial regulations, and that we can thus get out of this very complex and complicated situation in which we have found ourselves. True, the regulations can make a contribution. However, without an overall change in behavior there is no regulation which could erase, let us say, a failed investment in which 37 billion new dinars were invested as well as \$68 million, a total which represents a heavy burden for the associated labor."

Florjancic did not say which investment was involved.

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