

Polish resistance stiffens against IMF

Deteriorating economic conditions in Poland, as well as the fact that the collapse of the global financial system is becoming more and more evident, are encouraging an anti-International Monetary Fund (IMF), anti-globalization faction in Poland to strengthen its resistance against monetarist policies, as representatives of the Schiller Institute found out during their recent trip to this country (see EIR, Nov. 27, p. 61).

One of the voices attacking the policies of Polish Finance Minister Leszek Balcerowicz, who in Poland is identified with IMF policies, is that of Jan Lopuszanski, a deputy of the Polish Sejm (Lower House of Parliament) and a member of the Christian National Union. A few months after Parliamentary elections in November 1997, Lopuszanski, together with a group of about 10 other deputies, left the Solidarity Electoral Action Parliamentary Club and formed a Parliamentary faction, Nasze Kolo (Our Circle). On behalf of Nasze Kolo, the Confederation for an Independent Poland-Patriotic Camp, and the Movement for the Reconstruction of Poland, he gave the following speech on the floor of the Sejm on Nov. 9, during the debate over the proposed 1999 budget:

A speech by Jan Lopuszanski

... This government, like previous governments ... is implementing a policy of filling budget holes with the income from the sale of Polish wealth. Already in the past, I had an opportunity to compare this policy with the behavior of an alcoholic, who sells the family furniture in order to have money for booze. We should be aware that by accepting this budget, we will be accepting the sell-out of Polish wealth into foreign hands. ... This is happening in the face of the worst global financial crisis, apparently the most serious in this century, in a global economy interconnected as never before; this crisis may have unimaginable consequences. This is not only my opinion; the American President talked about it at a meeting of the New York Council on Foreign Relations. To turn concrete property into paper money in such a situation, is thoughtless.

In the context of the crisis, we are confronted by the following question: How to defend ourselves from the effects of this or other crises? We know the recipe of the IMF by heart: Tighten your belt, reduce spending, increase taxes, keep interest rates high, slow down domestic production, let taxpayers pay for the speculation of financial magnates, and

then international capital investment will flow into Poland, as if in reward, and will give—at the expense of dependency, and only for a limited time—the possibility of showing so-called good economic parameters, and Mr. Finance Minister will be able to boast that we are one of the economic tigers. What will happen later, when they have milked us like a cow, when we have rid ourselves from reserves—state, banking, enterprise, and human reserves—after we have sold out everything to foreign hands?

Does a sovereign nation-state, when it faces international financial aggression, have the right to defend itself? We could understand a tight budget, if the government were undertaking a defense against such attacks and at the same time tightening the budget. However, when tightening the budgetary belt becomes part of a policy of submitting to international forces, a policy of selling out Polish property, suffocating Polish agriculture and production, not to mention shipbuilding or military industry, the question arises: Who does such a budget serve, and who serves a Polish government which creates such a budget?

Moreover, the popularity of the monetarist doctrine in Poland has resulted in the acceptance of very unfortunate, in my opinion, Articles 216 and 220 in the Constitution. ... To constitutionally limit public debt and to introduce a ban on borrowing money from our own central bank, means, in the face of the crisis, a serious threat to the state, and the elimination of important defense mechanisms. ... We may see circumstances in which the sovereignty of the Polish state will depend on mobilizing to create our own payment means. I hope it will not come to that. I hope we will not have to choose between defending the Polish state in violation of the Constitution, or passively watching our sovereignty collapse while the letter of the Constitution is preserved.

I am talking about this during the debate on the budget, because the current proposed budget expresses the same fatal tendency to burden citizens too much, as well as businesses, with the effects of the economic doctrines of the monetarists and of world financial speculation, whose costs are transferred onto the shoulders of nations through state budgets. This is happening not only in Poland, but all over the world.

I would like to ask why, during the last 10 years, except for continuing what had been started before, the Polish state has not started big infrastructure investments? Why did it not wish to mobilize the economy through state involvement in the creation of new economic initiatives? Many governments have put the economies of their countries on their feet thanks to such activities. Is the reason for that the fact that the IMF, the World Bank, the Club of London, the Club of Paris, would not take it well? Is it because the European Union demands in the Maastricht Treaty, to put a stop to nation-states' intervention into the economy? Of course, [the European Union headquarters in] Brussels has the right to intervene, only governments do not have such a right. ...