GOODS FOR SALE — Poles, Russians and even Mongolians sell their wares in the makeshift free market that has sprung up in the city of Warsaw. At center, Mongolian women from Moscow try to interest a buyer in a bottle of Russian vodka. (Photo by Jeff Lilley)

Poles feel the pinch as they rise from communism

By JEFF LILLEY
(First in a six-part series)

Liberated from the domination of the Soviet Union, Poland in 1991 is a country unsure of itself and struggling to redefine its national character.

As an American reporter traveling in Poland this past July, I was able to interview Polish citizens and learn about their lives in this transition period from communism to democracy.

One such Polish citizen is Dagmar Roman, a former ballet teacher whose husband was active throughout the 1980s in the opposition movement Solidarity's campaign against the Polish Communist government. For Dagmar, now a housewife confronted daily by high prices and cramped living quarters, the changes are not all good.

"In the old days, we could count on prices staying the same and being reasonable. Now, we cannot count on anything," she said.

As a result of an economic plan that calls for removing state food subsidies and freezing salaries in an attempt to reign in a budget deficit left by the communists, many Poles are feeling the pinch like Dagmar.

Yet, there is another side of the coin, one which reveals the benefits of the transition to a market economy. In the heart of downtown Warsaw, literally out of the ashes of the old communist system, the seeds of a new, dynamic economy are sprouting.

For example, in the shadow of the Palace of Science and Culture, erected in the 1950s as a gift from the Soviet Union, a free market is thriving. Shoppers browse the makeshift stands of merchants who sell everything from car parts to crystal. Capitalism reigns supreme: salesmen cater to customers, compete for business and, no doubt, carry home a profit.

Attracted by the now convertible Polish currency, the zloty, even Russians are getting involved. The market has its own Russian section where enterprising Soviets sell silverware, vodka and glassware.

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Just down the street, the newly established Polish Stock Exchange is operating in the old headquarters of the Polish Communist Party. Where party apparatchiks once toiled away, Polish brokers decked out in red suspenders bark out buy and sell orders. By any measure, though, the stock exchange is rudimentary. Housed within the confines of a fifth-floor room, the exchange lists only six companies on its electronic board. Nevertheless, the stock exchange has come a long way since its opening day in April when two overhead projectors were used to show stock prices.

In such ways, Poland edges forward on a course of change, leaving behind its once dominating neighbor to the east, the Soviet Union. One measure of the change in the relationship between the two countries is the fact that Russian laborers and construction workers are streaming into Poland to take advantage of higher wages paid in convertible zlotys. One Polish friend remarked to me, "The Russians are so poor compared to us Poles."

But poor though they may be, the Russians still come from a country that has had a powerful effect on Poland. The U.S.S.R. has traditionally been Poland's largest trading partner, but trade has dropped dramatically due to the sudden collapse of orders from cash-strapped Soviet ministries. Historically, Poland has endured the unfortunate fate of being sandwiched between two great military powers, Germany and the Soviet Union. It has paid dear-

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ly, suffering the loss of millions of people in World War II and enduring 45 years of Soviet domination.

The psychological cost of the country's tragic history is evident today when Polish citizens talk about their predicament: Poles convey a lack of faith in their country's ability to solve its own problems, and they are just coming to grips with their ingrained habit of internalizing a tortured past.

In this time of realignment, many Poles are reaching out to the West in reaction to the rejection of Communism. First of all, they are looking to their Western neighbors and the United States to guarantee their military security. The thought of being caught in a gray area between the U.S.S.R. and Western Europe rekindles memories of Poland as a battleground for greater powers.

"Poland cannot be neutral," said Arkadiusz Rybicki, chief political adviser to President Lech Walesa in arguing for a pro-Western orientation. "It sounds nice, but it would make Poland a bridge — this is not, has not and will not be good for us."

But others, such as 31-year-old Witek Radwanski, dismiss this thinking. An adviser to the Minister of Finance, Radwanski believes Poland has brighter prospects developing the role of broker between East and West. "The future of Poland is in the bottomless pit of the East rather than in breaking down trade barriers in the West," he said.

While the debate over Poland's future political orientation continues in the halls of Parliament, Polish citizens are collecting in groups to deal for the first time with their individual tragedies. They are just now feeling free enough to discuss Soviet atrocities, like the forced deportation in the late 1940s of Poles accused of being capitalists. Recently, at the first meeting of a newly created society for Polish survivors of Siberian exile, two women coworkers, who had sat in the same Warsaw office for 20 years, realized they had been in the same camp in Siberia. Yet under the Communists they had never dared to discuss their "contaminated" pasts.

TAKING A BREAK — Polish stockbrokers take a break from their duties at the newly established Polish Stock Exchange. The stocks of six companies are traded on the exchange. (Photo by Jeff Lilley)

In light of these kinds of problems, many Poles believe that, above all, the Polish mentality must be changed. A new, can-do attitude needs to be instilled in Polish citizens. For economist Andrei Kwiecinski, the answer lies in the move to a market economy. Back home in Poland after a nine-month stay in Indiana, Kwiecinski lauds the diligence, responsibility and honesty of American businessmen. "People are serious about their duties, and no one expects a free handout," Kwiecinski said in an interview in his office at Warsaw University.

"Furthermore, there is honesty in everyday business. American businessmen agree on deals without having to write everything down. In Poland, there is a lack of trust when two entities get together."

For Kwiecinski, the lessons are clear. "These traits are at the root of economic behavior," he said. "Thus, the more people are involved in business, the more they learn the way to behave. The market economy gives a code of behavior."

By and large, Poles agree that despite the present hardships of the transition period they must align with the West to be assured of having a better chance at improving their lifestyle and standard of living. But the move is not without its costs. For Rybicki, the dangers of aligning include the onslaught of materialism and a loss of spirituality in a country where the Catholic Church has traditionally been the bastion of strength in difficult times. If improving the situation of the individual becomes the priority in the new economic order, what will happen to the religious and spiritual values which have sustained the country in hard times?

Such questions have no easy answers, but they arise because Poles have embarked on a daring course to restructure their country. While some lament the loss of stability, there is little nostalgia for the "old days." Even Dagmar, who complained about the price hikes, shows a hope and willingness to learn. When I apologized to her for trying to rationalize her plight in cold economic terms, citing such things as the need to close unprofitable enterprises and the importance of a convertible zloty, she turned to me and said, "No, Jeff, you must say what you believe. It is important. Your interpretation of our situation may help us to change our point of view."