

CIACO NID 81 [REDACTED]

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POLAND: IMF Green Light

*Poland reportedly has decided in principle to apply for IMF membership, a move that could give some comfort to Poland's Western creditors.* [REDACTED]

[REDACTED] The USSR, according to the Poles, recently withdrew its longstanding opposition to membership for Poland. [REDACTED]

Assuming that Warsaw applies soon, membership will not be possible until mid- to late-1982. Poland thus will not be able to obtain immediate financial help from the IMF in meeting its \$9-10 billion financial requirement in the next year. The IMF link, however, should help Warsaw in its drive to reschedule its debts and to obtain new credits. [REDACTED]

The IMF will make credits contingent on Warsaw's implementation of tough stabilization policies. Although Solidarity leader Walesa has already endorsed IMF membership, the union is likely to object to the kinds of tough austerity measures that the IMF will seek. Moscow will be sensitive to any appearance of Western control over the Polish economy. [REDACTED]

Meanwhile, the Soviets apparently have agreed to send Poland an additional 30,000 tons of meat by the end of the year. The extra meat imports, announced at the Central Committee session on Wednesday by party leader Jaruzelski, are worth \$40 million at Western prices and will help Warsaw meet some, but not all, of its rationing obligations. [REDACTED]

During this month, Warsaw imported 25,000 tons of meat but still failed--by 13,000 tons--to provide enough meat in the state distribution system to cover its commitments. The Soviet move seems intended as a show of support for Jaruzelski at relatively little cost. [REDACTED]

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