

~~348~~

CIACO NID 81 [REDACTED]

December 07, 1981

POLAND: Debt Problems

Warsaw appears to have made significant progress toward meeting interest payments necessary to conclude a debt rescheduling agreement with Western banks for 1981.

[REDACTED]

If Poland manages to pay off all, or even most, of the arrears on interest by 14 December, the agreement can be signed by the end of the year. Even so, Poland will be unable to meet its \$10 million debt service bill in 1982. [REDACTED]

The recent payments tend to support unconfirmed reports that the USSR recently provided Poland with a \$500 million hard currency loan. Western bankers, threatening a curtailment of credits to all of the USSR's East European allies if Poland defaulted, have been pressing Moscow to come to Warsaw's rescue. [REDACTED]

Approved for Release
Date AUG 1999

356
~~348~~