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Economics Prof Shares History and Memories of Polish Solidarity Movement

Lucjan T. Orlowski, Dr., *Sacred Heart University*

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Dr. Orlowski speaks on Solidarność

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A group of faculty, staff, students and members of the local community turned out at Sacred Heart University's William H. Pitt Health and Recreation Center February 8 to hear Lucjan Orlowski, Ph.D., chair of the Economics and Finance Department, discuss the history of the Polish Solidarity Movement. The talk was given in conjunction with an exhibition marking the 30th anniversary of the Polish Solidarność and was sponsored by the Human Journey Colloquia Series and the Polish Studies Fund.

Orlowski, who is a former Solidarity member, shared with those gathered how the Solidarność went from being a labor movement to a leading political party that helped transform Poland from communism to a democracy. He said the transformation was tied to the economic system and the political dominance of the Communist party that did not allow for democratic elections. If there was an election, Orlowski said, the Communist candidate mysteriously got 98 percent of the votes.

He noted that despite depressed religious freedom, there was vast societal support for the Catholic Church. He recalls going to church for religious studies as religion was not taught in the schools. Under the dysfunctional communist system, the Soviets were able to exploit Poland and its workers through underpriced Polish exports, overpriced imports and direct capital outflows within the ruble zone. Production quotas led to undercapitalized firms, underdeveloped products and technological disincentives. Orlowski recalls one company fulfilling its spending quotas by breaking its own windows and putting in new ones.

At the same time, centralized product distribution led to corruption, political favoritism and price fixing. Price ceiling regulations meant shortages of products and scarcity of services and led to inflation. For example, the price of a loaf of bread was less than the cost of the flour to make it, so bakers needed subsidies to produce bread. Orlowski remembers standing in long lines at the supermarkets for bread, meat and milk. He was once in a supermarket that only had vinegar on its shelves. "To this day, vinegar reminds me of deep shortages," he said.

The movement responded to these conditions with economic reforms aimed at allowing competition and unleashing entrepreneurship that included introducing convertible currency, establishing an independent central bank and monetary policy, abolishing price fixing and enacting fiscal discipline. In fact, Orlowski co-authored one of the Solidarity-sponsored projects coordinated by the Poznan University of Economics from 1979 to 1981. Of course, these reforms were dismissed by the Communist party members for fear that democracy would make the party irrelevant.

The Solidarity Union emerged in 1980 from several worker strike committees that originated at the Gdańsk Shipyard. They were led by Lech Wałęsa, an electrician who was fired for his union activism and went on to be President of Poland in 1990s. The Solidarity Union was officially sanctioned and registered at the Warsaw Regional Court on November 10, 1980, as an outcome of the Gdańsk “August 1980 Agreement” between the Solidarity National Committee and the Government Commission. The Solidarity presented the “List of 21 Postulates” – demanding basic human rights, religious freedom, transparent democratic media and social safety nets.

By December 1981, the regime was striking back, Orlowski said. Martial law was proclaimed, and Wałęsa and other Solidarity leaders and activists were arrested. The nation’s phones were turned off; international flights and trains were cancelled; and a strict curfew was imposed. Numerous writers, teachers and intellectuals were imprisoned, and some were later forced to emigrate.

Wałęsa was released from prison in 1984 and awarded the Nobel Peace Prize. He re-emerged officially in September 1986. As the centrally planned economy continued to deteriorate, bringing further shortages and rationing of basic consumer goods, there was a renewed wave of strikes. The regime finally began to realize that it was unable to govern, Orlowski said.

In June 1989, the Solidarity candidates won decisively in partial elections, and the first democratically elected noncommunist government – led by Tadeusz Mazowiecki as prime minister – was formed. Far-reaching economic reforms began with the Balcerowicz Plan, enacted in January 1990. With the abolishment of price fixing, inflation jumped to a monthly rate of 76 percent and then settled at 33 percent.

Poland joined the European Union in May 2004 and quickly became a modern democracy, a fast-growing and stable economy, said Orlowski. During that time, Orlowski served as a member of the Macroeconomic Policy Council at the request of former Deputy Prime Minister and Finance Minister Leszek Balcerowicz. Today, Poland is the only member of the European Union that is averting an economic downturn.

We can all learn from the lessons of the Polish Solidarity Movement, Orlowski pointed out. Those lessons are:

- Stand by the principles of freedom and democracy
- Persevere and you will eventually prevail
- Do not resort to violence
- The arguments for social justice and political freedom are on your side

- The autocratic opponents have neither merit nor relevance and will not succeed