

Putin's Warsaw Visit Focusses on Economics

by Our Special Correspondent

"From mutual grudges, Moscow and Warsaw are arriving at close economic cooperation," concluded Russia's RTR news service on Jan. 17, following President Vladimir Putin's visit to the Polish capital. "Today, Polish business is revising its interests toward the Russian market."

In Warsaw, Putin called for joint Russian-Polish infrastructure projects. On Jan. 14, before leaving for Paris and then Warsaw, he had spoken about Frédéric Chopin, and about Polish and Russian Classical culture. He told Polish journalists in an interview, "Thinking about Poland and Russia, I always think about the friendship of [Adam] Mickiewicz and [Alexander] Pushkin, and the constant struggle of Poles for independence and freedom from both their Western and Eastern neighbors."

Projects discussed by Presidents Putin and Alexandr Kwasniewski included joint production of passenger buses, on the basis of the Kaliningrad facilities of the Avtotor plant (which today assembles BMWs), with participation of Polish parts producers Bus Trading, Autosun, and Grupa Zasada. In the Russian-Polish economic forum, timed to coincide with Putin's visit, Russia's Vneshtorgbank (Foreign Trade Bank) and Poland's Bank of Support of Agroindustry signed an agreement on cooperation.

Russian Energy Exports at Center

On Jan. 15, Poland's Finance Minister, Vice Premier Marek Belka, said in an interview with ITAR-TASS that "Warsaw completely agrees with the idea of the gas pipeline for transport of Russian gas from Yamal Peninsula to Western Europe" (via Belarus, Poland and Slovakia, circumventing Ukraine). The difference in approach between Russia and Poland, which had remained until Putin's arrival, concerned the amount of gas transit: The Polish side, simultaneously negotiating with Norway and Denmark, was ready for a contract for Russia's state gas company Gazprom for a period of 27 years, but suggesting an annual amount of transit not exceeding 9 billion cubic meters. The agreement now in effect with Russia, scheduled till year 2010 (and to be extended), suggests an increase to 12.5 billion cubic meters.

Putin noted that Poland and Russia should be mutually interested in development, above all, of trade and energy connections, which currently are at a level of about \$5.5 billion a year. He said that the two nations' cooperation could become very effective if it concentrated in the domain

of economic infrastructure, including transport. "In this sense," said the Russian President, "Poland can take the position she always has taken in history—as a bridge between the East and West in the best sense of the word, using her position in an effective way and from the standpoint of the development of energy programs between Russia and Europe, as well as . . . transport projects; and also raising to a new level certain branches of the economy of both Poland and Russia. I have in mind both agriculture, mining and metallurgical industry, and so on."

The construction of the Yamal-Europe gas pipeline, whose most favorable route would be through Poland, was believed to also have been a major topic of Putin's immediately preceding discussion with France's President Jacques Chirac.

Putin also made a proposal regarding Russian compensation to Polish victims of Stalin's regime, which was well received in Warsaw.

Poland a Bridge, Not a Wall

In his own interview on Jan. 16 with the Russian newspaper *Kommersant*, Polish President Kwasniewski emphasized that the decisive positive turn in Russian-Polish relations took place after Sept. 11. "Our relations acquired a new quality when both countries chose the same side of the barricade," he emphasized. "Today, Poland does not want to serve as a wall between the East and the West. . . ."

"Geography itself demands close Polish-Russian cooperation," said Kwasniewski. "Poland is obliged to, and is ready to establish a secure transit for Russian goods to Western Europe. This is the shortest and the cheapest transit route for Russia. That concerns both commodities, passenger lines, and information. We need friendly relations between our border services, and conveniences for travellers. We need new infrastructure of electric energy and fuel, as well as new railroads, and this has to be favorable for both sides. We are also ready to increase cooperation in military industrial technologies, on the level of the defense ministries of the two countries."

While in Poland, Putin was questioned intensively about the political situation in Russia. Among other things, he remarked: "Many say, the generals in Russia are displeased with what the President is doing. I can tell you, that our generals are in no way different, nor worse, than the civilians. They are intelligent people and in no way less intelligent than their colleagues in other countries. They understand well, what confrontation and military clashes mean. . . . To provide a military establishment at a high level, one needs a high level of development of the economy. And for developing the economy, we absolutely need a favorable external environment. For this reason we must develop our relations with Europe, with the U.S.A., and with nations which are far from Russia's borders, as well as our traditional partners such as Poland. . . . There are no serious opponents in Russia to the development of Russia's relations with the leading nations of the world."