

PART 6

TOP SECRET.

Confidential filing.

UK / Polish Relations.

Internal Situation.

Economic Assistance.

POLAND.

Part 1: August 1979

Part 6: January 1982

S
807

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
8-1-82							
14-1-82							
14-1-82							
21-1-82							
22-1-82							
- ends -							
<p>PREM 19/872</p>							

PART 6 ends:-

21.1.82

PART 7 begins:-

22.1.82

TO BE RETAINED AS TOP ENCLOSURE

Cabinet / Cabinet Committee Documents

Reference	Date
CC(82) 2nd Meeting, Minute 2	21.1.82
OD(82) 1	18.1.82
CC(82) 1st Meeting, Minute 2	16.1.82

The documents listed above, which were enclosed on this file, have been removed and destroyed. Such documents are the responsibility of the Cabinet Office. When released they are available in the appropriate CAB (CABINET OFFICE) CLASSES

Signed Wayland

Date 18 October 2012

PREM Records Team

EE8D

4

EMBASSY OF THE UNITED STATES OF AMERICA
LONDON

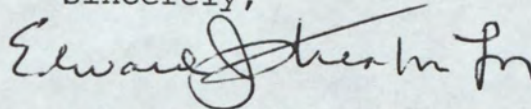
cc PS
PS (Lord Fitzgibbon)
~~PS (Mr. Bullard)~~
Mr Bullard
Lord Bridges
Mr Hanway
January 21, 1982
Mr Evans
Planning Staff
GCW(E)
Defence Dept
HO News Dept

Dear Foreign Secretary:

I have been asked to deliver the enclosed message to you from Secretary Haig, which was received at the Embassy this morning.

cc Mr Coles, 10 Downing St
(2 copies)
2/1/82

Sincerely,



John J. Louis, Jr.
Ambassador

Enc:

SECRET

The Rt. Hon. The Lord Carrington, KDMG, MC,
Secretary of State
for Foreign and Commonwealth Affairs,
Foreign and Commonwealth Office,
London SW 1

SECRET

January 21, 1982

Dear Peter:

As we approach the January 23 reinforced meeting of the North Atlantic Council, to take measures in response to the situation in Poland, I believe it is important for us to recognize that conditions in Poland have actually deteriorated since we gathered in Brussels on January 11. Martial law appears now to be a reality for the indefinite future. Large numbers of political prisoners continue to be held. If anything, the human rights situation is considerably worse, with heightened secret police activity, large scale arrests and firings, and intense pressure on workers to renounce Solidarity and, in effect, their own aspirations for a more open, just and productive society.

At the same time, Soviet officials are saying that the restoration of dialogue in Poland is out of the question, because that would mean placing Solidarity on the same level as the government. They are attempting politically to decapitate Solidarity by relegating Walesa to the status of a political non-person, and some are even insisting that while a union in some form may be able to survive, it could not use the name "Solidarity." This not only again gives the lie to Soviet claims of non-intervention, it is a tragic commentary on the likely future direction of events in Poland if we stand idly by.

It is therefore all the more important that we emerge from the January 23 meeting with decision in hand on political and economic measures which can help to achieve our objectives in Poland. That will be possible if those of us who share similar perceptions of the Polish situation continue to exercise firm leadership within the Alliance. To do otherwise would be a disservice to the Polish people and to what we stand for as Allies. It would frankly raise the prospect for my Government of being forced to take additional steps to ensure that the overall message sent by the West is sufficiently clear and forceful to have a chance of influencing events.

We have of course set out in our declaration the general areas in which we will be working to effect these measures. What we need now is to translate those

SECRET

SECRET

- 2 -

general principles into specific actions. On the political side, I would hope that these would include such national decisions as additional restrictions on the size and movements of Soviet and Polish diplomatic missions and on reduction/non-renewal of exchanges. In the economic field, I hope we can reach agreement on visible, significant and demonstrative measures. In my view, this should include at a minimum the announcement that notice is being given that certain steps will be taken or that certain agreements will be suspended or allowed to lapse. The crucial point is that these national decisions have immediate impact on Soviet and Polish decision making and maintain a maximum of Allied unity and credibility.

We should also take advantage of the opportunity provided by the January 23 meeting to begin a longer term discussion of where we are going in East-West relations as a result of the new Polish reality and continuing Soviet conduct. This discussion should deal with such difficult issues as agricultural commodities, the security dimension of technology transfer to and energy dependence on the Soviet Union, and financial dealings with the East.

It is crucial that we act now if we are to maintain the momentum and the credibility that we established with our declaration on January 11. I hope you will arrive before January 23 at decisions on national measures with regard to the Soviet Union, and that you will instruct your representatives at the NATO meeting to take lead in encouraging meaningful contributions by all to an Alliance response. The Polish people and our own publics look to us to give substance to the earnest of good intentions contained in the declaration. I think you will agree with me that we can only deter the Soviet and Polish authorities, and bring about a return to democratic renewal in Poland, if we are willing to act on those intentions.

Sincerely,

/s/

Al

SECRET

Ref: B06383

Prime Minister

Agree that I should write
in the terms proposed?

MR COLES

c Sir Robert Armstrong

Agreed
not

A.J.C. 21/1

Poland

You sought advice on the response which the Prime Minister might make to the Foreign and Commonwealth Secretary's minute of 20th January.

2. As Lord Carrington explained, the attachment to his minute is the inter-departmentally agreed steering brief for the NATO meeting. Each of the measures in it is therefore in principle acceptable to the Ministers concerned. But hitherto Ministers, and in particular the Secretary of State for Trade, have taken the line that they would wish to have a collective consideration of the package of measures to be taken by the United Kingdom, before agreeing to them, in order to be sure that we were not taking on a disproportionate burden. The effect of the proposal in the fourth paragraph of Lord Carrington's minute is that the official leading our delegation to the NATO meeting on Saturday should be authorised to make that judgement on the Government's behalf. The Secretary of State for Trade's officials are confident that he would not think it appropriate for any ^{one} other than Ministers to make such a highly political judgement; and that he would if necessary be willing to minute the Prime Minister to that effect. I have advised that he need not do so, since the Foreign and Commonwealth Office accept the point and would be content if you replied to them on the lines of the attached draft (which would also satisfy the Department of Trade).

3. In fact, as Lord Carrington notes, the conditions for making an immediate decision are unlikely to be satisfied. It is most improbable in any case that the officials of our European allies will have authority to commit their governments. Our representatives are much more likely to find themselves in the situation, catered for in Lord Carrington's fifth paragraph, where they will want to describe, without commitment, the areas in which the Government might be prepared to take decisions. Lord Carrington's proposal that the delegation should be authorised to go that far is entirely acceptable to other Ministers; as is the proposal (in his sixth paragraph) for a single further NATO meeting, as soon as possible, to make the final decisions.



4. The message from Mr Haig in Foreign and Commonwealth Office telegram no. 76 to Washington has arrived since the Foreign and Commonwealth Secretary's minute was written. But the FCO remain content to proceed as proposed by Lord Carrington, subject to the modification suggested in my draft.

(message attached).

21st January 1982

R L WADE-GERY



CONFIDENTIAL

MS

Draft Letter to Mr F N Richards, FCO, from Mr Coles

Poland

The Prime Minister has seen the Foreign and Commonwealth Secretary's minute PM/82/5 of 20th January. She agrees with the conditions set out in its third paragraph. She also agrees that they are unlikely to be satisfied at the NATO meeting on 23rd January. Even if they were, however, she would not think it right for officials to make the political judgement of what constituted broadly comparable measures by our allies. She considers it essential therefore that Ministers should be consulted before any firm commitment is made (as ^{was} suggested in the Secretary of State for Trade's Private Secretary's letter to me of 18th January). But she is content with the proposal in the fifth paragraph of Lord Carrington's minute, and also with the tactics suggested in his sixth paragraph.

I am copying this letter to the Private Secretaries to the Members of the Executive, the Secretary of State for Industry, Trade, Agriculture, Environment, Energy and Health and to the Robot Agency.

MS 22/1

XO
DWF G 60
LDC 835/21

NO DISTRIBUTION

00 DISTRESSFCO DESKBY 211400Z

GRS 140

RESTRICTED

DESKBY 211400Z

FM WARSAW 211145Z JAN 82

TO IMMEDIATE DISTRESSFCO

TELNO DISTRESS 023 OF 21ST JANUARY 1982

I have discussed with

Mr. Edwards.

A.J.C.

SUBVIAL

ms

YR DISTRESS 20 AND TELEX CONVERSATION YESTERDAY WITH HEALD.

MISKIW.

1. MISKIW'S LAWYER APPROACHED THE COURT YESTERDAY FOR PERMISSION FOR MISKIW TO LEAVE THE COUNTRY. SHE WAS TOLD THAT THE COURT HAD NO JURISDICTION IN THE MATTER WHICH WAS A PURELY ADMINISTRATIVE ONE. WE ARE THEREFORE MAKING SIMULTANEOUS APPROACHES TO THE MFA AND THE PASSPORT AUTHORITIES AS SOON AS POSSIBLE TO TRY AND OBTAIN AN EXIT VISA FOR HIM.

2. YRTELS SUGGEST A REAL CONCERN FOR HIS HEALTH. ALL OF US HERE (INCLUDING MYSELF) WHO HAVE SEEN MISKIW ARE SATISFIED THAT HIS HEALTH IS GOOD ALTHOUGH HE IS NATURALLY FINDING THE UNCERTAINTY A BIT WEARING. IF YOU ARE AWARE OF ANYTHING CONCERNING HIS HEALTH WHICH IS NOT PERHAPS APPARENT TO US HERE, WE SHOULD BE GRATEFUL FOR DETAILS.

MELHUI SH

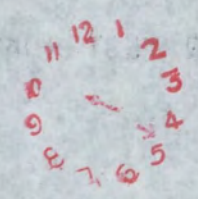
NNNN

NO DISTRIBUTION

THE SECRET

[Handwritten notes]

7-2 JAN 1982



... ADVISED THAT HE HAD BEEN ADVISED BY THE ...
... THAT HE HAD BEEN ADVISED BY THE ...
... THAT HE HAD BEEN ADVISED BY THE ...
... THAT HE HAD BEEN ADVISED BY THE ...

... ADVISED THAT HE HAD BEEN ADVISED BY THE ...
... THAT HE HAD BEEN ADVISED BY THE ...
... THAT HE HAD BEEN ADVISED BY THE ...
... THAT HE HAD BEEN ADVISED BY THE ...

MILITARY



10 DOWNING STREET

Prime Minister

Poland

MB

The Foreign Secretary may also refer to the attached minute at his meeting with you on Thursday.

2. It looks uncontroversial in Whitehall terms but it has only just been circulated to other Ministers. We should give them a chance to comment. I will submit further advice to you on Thursday night.

A.F.C.

DEDIP / SECRET / BURNING BUSH

45635 - 2

Mr Coles
No 10
DS

AJC
Jan 22/82

OO WASHINGTON

GRS 711

DEDIP

SECRET

BURNING BUSH

FM FCO 211200Z JAN 82

TO IMMEDIATE WASHINGTON

TELEGRAM NUMBER 76 OF 21 JANUARY.

INFO BONN, PARIS, UDKEL NATO, MOSCOW AND WARSAW.

1. FOLLOWING IS THE TEXT OF A MESSAGE FROM HAIG WHICH WAS RECEIVED IN LONDON THIS MORNING:

'DEAR PETER:

AS WE APPROACH THE JANUARY 23 REINFORCED MEETING OF THE NORTH ATLANTIC COUNCIL, TO TAKE MEASURES IN RESPONSE TO THE SITUATION IN POLAND, I BELIEVE IT IS IMPORTANT FOR US TO RECOGNIZE THAT CONDITIONS IN POLAND HAVE ACTUALLY DETERIORATED SINCE WE GATHERED IN BRUSSELS ON JANUARY 11. MARTIAL LAW APPEARS NOW TO BE A REALITY FOR THE INDEFINITE FUTURE. LARGE NUMBERS OF POLITICAL PRISONERS CONTINUE TO BE HELD. IF ANYTHING, THE HUMAN RIGHTS SITUATION IS CONSIDERABLY WORSE, WITH HEIGHTENED SECRET POLICE ACTIVITY, LARGE SCALE ARRESTS AND FIRINGS, AND INTENSE PRESSURE ON WORKERS TO RENOUNCE SOLIDARITY AND, IN EFFECT, THEIR OWN ASPIRATIONS FOR A MORE OPEN, JUST AND PRODUCTIVE SOCIETY.

AT THE SAME TIME, SOVIET OFFICIALS ARE SAYING THAT THE RESTORATION OF DIALOGUE IN POLAND IS OUT OF THE QUESTION, BECAUSE THAT WOULD MEAN PLACING SOLIDARITY ON THE SAME LEVEL AS THE GOVERNMENT. THEY ARE ATTEMPTING POLITICALLY TO DECAPITATE SOLIDARITY BY RELEGATING WALESZA TO THE STATUS OF A POLITICAL NON-PERSON, AND SOME ARE EVEN INSISTING THAT WHILE A UNION IN SOME FORM MAY BE ABLE TO SURVIVE, IT COULD NOT USE THE NAME 'SOLIDARITY'. THIS NOT ONLY AGAIN GIVES THE LIE TO SOVIET CLAIMS OF NON-INTERVENTION, IT IS A TRAGIC COMMENTARY ON THE LIKELY FUTURE DIRECTION OF EVENTS IN POLAND IF WE STAND IDLY BY.

IT IS THEREFORE ALL THE MORE IMPORTANT THAT WE EMERGE FROM THE JANUARY 23 MEETING WITH DECISION IN HAND ON POLITICAL AND ECONOMIC MEASURES WHICH CAN HELP TO ACHIEVE OUR OBJECTIVES IN

/POLAND.

DEDIP / SECRET / BURNING BUSH

POLAND. THAT WILL BE POSSIBLE IF THOSE OF US WHO SHARE SIMILAR PERCEPTIONS OF THE POLISH SITUATION CONTINUE TO EXERCISE FIRM LEADERSHIP WITHIN THE ALLIANCE. TO DO OTHERWISE WOULD BE A DISSERVICE TO THE POLISH PEOPLE AND TO WHAT WE STAND FOR AS ALLIES. IT WOULD FRANKLY RAISE THE PROSPECT FOR MY GOVERNMENT OF BEING FORCED TO TAKE ADDITIONAL STEPS TO ENSURE THAT THE OVERALL MESSAGE SENT BY THE WEST IS SUFFICIENTLY CLEAR AND FORCEFUL TO HAVE A CHANCE OF INFLUENCING EVENTS.

WE HAVE OF COURSE SET OUT IN OUR DECLARATION THE GENERAL AREAS IN WHICH WE WILL BE WORKING TO EFFECT THESE MEASURES. WHAT WE NEED NOW IS TO TRANSLATE THOSE GENERAL PRINCIPLES INTO SPECIFIC ACTIONS. ON THE POLITICAL SIDE, I WOULD HOPE THAT THESE WOULD INCLUDE SUCH NATIONAL DECISIONS AS ADDITIONAL RESTRICTIONS ON THE SIZE AND MOVEMENTS OF SOVIET AND POLISH DIPLOMATIC MISSIONS AND ON REDUCTION/NON-RENEWAL OF EXCHANGES. IN THE ECONOMIC FIELD, I HOPE WE CAN REACH AGREEMENT ON VISIBLE, SIGNIFICANT AND DEMONSTRATIVE MEASURES. IN MY VIEW, THIS SHOULD INCLUDE AT A MINIMUM THE ANNOUNCEMENT THAT NOTICE IS BEING GIVEN THAT CERTAIN STEPS WILL BE TAKEN OR THAT CERTAIN AGREEMENTS WILL BE SUSPENDED OR ALLOWED TO LAPSE. THE CRUCIAL POINT IS THAT THESE NATIONAL DECISIONS HAVE IMMEDIATE IMPACT ON SOVIET AND POLISH DECISION MAKING AND MAINTAIN A MAXIMUM OF ALLIED UNITY AND CREDIBILITY.

WE SHOULD ALSO TAKE ADVANTAGE OF THE OPPORTUNITY PROVIDED BY THE JANUARY 23 MEETING TO BEGIN A LONGER TERM DISCUSSION OF WHERE WE ARE GOING IN EAST-WEST RELATIONS AS A RESULT OF THE NEW POLISH REALITY AND CONTINUING SOVIET CONDUCT. THIS DISCUSSION SHOULD DEAL WITH SUCH DIFFICULT ISSUES AS AGRICULTURAL COMMODITIES, THE SECURITY DIMENSION OF TECHNOLOGY TRANSFER TO AND ENERGY DEPENDENCE ON THE SOVIET UNION, AND FINANCIAL DEALINGS WITH THE EAST.

IT IS CRUCIAL THAT WE ACT NOW IF WE ARE TO MAINTAIN THE MOMENTUM AND THE CREDIBILITY THAT WE ESTABLISHED WITH OUR DECLARATION ON JANUARY 11. I HOPE YOU WILL ARRIVE BEFORE JANUARY 23 AT DECISIONS ON NATIONAL MEASURES WITH REGARD TO THE SOVIET UNION, AND THAT YOU WILL INSTRUCT YOUR REPRESENTATIVES AT

/THE NATO

THE NATO MEETING TO TAKE LEAD IN ENCOURAGING MNINGFUL CONTRIBUTIONS BY ALL TO AN ALLIANCE RESPONSE. THE POLISH PEOPLE AND OUR OWN PUBLICS LOOK TO US TO GIVE SUBSTANCE TO THE EARNEST OF GOOD INTENTIONS CONTAINED IN THE DECLARATION. I THINK YOU WILL AGREE WITH ME THAT WE CAN ONLY DETER THE SOVIET AND POLISH AUTHORITIES, AND BRING ABOUT A RETURN TO DEMOCRATIC RENEWAL IN POLAND, IF WE ARE WILLING TO ACT ON THOSE INTENTIONS.

SINCERELY,

/S/

AL''

CARRINGTON

DISTRIBUTION:

LIMITED

HD/PLANNING STAFF

HD/EESD

PS/PUS

MR BULLARD

MR GOODISON

COPIES TO

MR WENBAN-SMITH

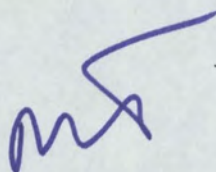
CABINET OFFICE

MR COLES

NO 10 DOWNING STREET ✓

RESTRICTED

GRS110



RESTRICTED

FM WASHINGTON 202312Z JAN 82
TO PRIORITY FCO
TELEGRAM NUMBER 167 OF 20 JANUARY
INFO BONN, PARIS, ROME, UKDEL NATO.

YOUR TEL NO 63: DAY OF SOLIDARITY WITH THE POLISH PEOPLE

1. CHARLES WICK, HEAD OF USICA, GAVE A PRESS CONFERENCE THIS MORNING IN WHICH HE DESCRIBED PREPARATIONS IN THE US AND ELSEWHERE FOR SOLIDARITY DAY (30 JANUARY). WICK ANNOUNCED THAT THE PRIME MINISTER, SCHMIDT AND LEADERS OF PORTUGAL, BELGIUM, NORWAY, AND LUXEMBOURG WOULD BE SENDING MESSAGES.

2. THE PRESIDENT ISSUED TODAY A PROCLAMATION ON SOLIDARITY DAY (TEXT BY BAG) AND WILL BE MAKING A FURTHER STATEMENT ON 30 JANUARY. WE SHALL BE IN TOUCH WITH HIS STAFF ABOUT ITS CONTENTS.

HENDERSON

POLAND SPECIAL
STANDARD

EESD
CSCE UNIT
NAD
SED
WED
ECD (E)
ESID
FED
CAD
SAD

TRED
ERD
SEC D
OLA
CONS D
CONS EM UNIT
CABINET OFFICE

ADDITIONAL DISTN.
POLAND SPECIAL

[COPIES SENT TO NO 10 DOWNING ST]

RESTRICTED

CONFIDENTIAL

45562 - 1

OO UKREP BRUSSELS (DESKBY 210800Z)

GRS 164

CONFIDENTIAL

DESKBY 210800Z

FM FCO 201850Z JAN 82

IMMEDIATE UKREP BRUSSELS

TELEGRAM NUMBER 63 OF 20 JANUARY

INFO PRIORITY PARIS, BONN, ROUTINE WASHINGTON,

UKDEL NATO, WARSAW, MOSCOW

YOUR TELNO 195: POLAND

1. DISCUSSION WITHIN THE COMMUNITY NOW SEEMS TO BE MOVING IN THE RIGHT DIRECTION. LATEST COMMISSION PAPER IS A GREAT IMPROVEMENT.

2. WE CONTINUE TO REGARD IT AS IMPORTANT THAT SOME DECISIONS SHOULD IF POSSIBLE BE TAKEN BY THE COUNCIL ON 25/26 JANUARY. IN OUR VIEW COUNCIL SHOULD TAKE DECISIONS AT LEAST ON UPGRADING OF USSR IN OECD CONSENSUS AND ACTION AGAINST SOVIET EXPORTS.

3. AT COREPER LUNCH ON 21 JANUARY YOU SHOULD CONTINUE TO PRESS FOR THESE DECISIONS, DRAWING ON MY TELNOS 29 AND 59.

4. ON TARIFFS OUR PRELIMINARY LEGAL ADVICE IS THAT DESPITE THE EXISTENCE OF OUR MFN SIDE LETTER (PARA.10 OF MY TELNO.7 REFERS) WE ARE IN A POSITION TO AGREE TO COMMUNITY ACTION TO INCREASE TARIFFS ON SOVIET EXPORTS. GRATEFUL IF PARIS AND BONN COULD CHECK ON HOW THE FRENCH AND GERMANS SEE THEIR LEGAL POSITION.

CARRINGTON

POLAND SPECIAL
STANDARD

EESD
CSCE UNIT
NAD
SED
WED
ECD (E)
ESID
FED
CAD
SAD

TRED
ERD
SEC D
OLA
CONS D
CONS EM UNIT
CABINET OFFICE

ADDITIONAL DISTN.
POLAND SPECIAL

[COPIES SENT TO NO 10 DOWNING ST]

CONFIDENTIAL



PM/82/5

PRIME MINISTERPoland

You will wish to know where we stand before the follow up meeting of the North Atlantic Council on 23 January to discuss measures to be taken against the Soviet Union and Poland. I / enclose a steering brief for the meeting which has been agreed interdepartmentally among officials.

The Americans are continuing to exert pressure for their allies to declare and announce decisions on 23 January. I think there is a danger that the meeting might go seriously wrong and end in acrimony if they feel that they are not getting the support they were led to expect at the meeting on 11 January. This would be a major setback to alliance unity and send the wrong signals both to the Russians and to Western public opinion.

In all exercises of this nature the burden-sharing aspect is uppermost in everybody's mind. From that, in my view, flow the following consequences. The first is that the US should be prepared ← ① to exempt existing contracts from the application of the draft legislation they have published. The second is that our allies ② should be prepared to take broadly comparable measures.

While I think it is unlikely that both these conditions will be met on 23 January, I believe nevertheless we should be prepared for that contingency. In that case I would hope that it can be agreed that the UK representative should state that we are prepared to take the measures concerning Poland set out in paragraph 11(a), (c) (d) and (e) and (g). As far as the Soviet Union is concerned he would have authority to say that we were

/prepared



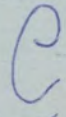
prepared to take the measures set out in paragraph 12 (a) (b) (d) (h) and (i). As to Community matters, he would indicate our willingness to pursue actively in the Community the possibility of other measures such as those in paragraph 11 (e) and 12 (c) and (g).

Even if the two conditions in para 3 above are not specifically met, I hope it can be agreed that our representatives should have authority, without committing us finally, to describe on 23 January the areas in which we might be prepared to take decisions.

At the same meeting on 23 January we would urge that decisions should be finally taken at a single further NATO meeting to be held as soon as possible after the Foreign Affairs Council on 25-26 January.

In the meantime we are taking action to reduce American expectations of Saturday's meeting, which at the moment seem to be excessive, and to put into their minds the 'reverse linkage' idea described in your Private Secretary's letter of 19 January.

I am copying this minute to the Chancellor of the Exchequer and to the Secretaries of State for Industry, Trade, Agriculture, Environment, Energy and Health, and to Sir Robert Armstrong.


(CARRINGTON)

Foreign and Commonwealth Office, SW1
20 January 1982

CONFIDENTIAL

CONFIDENTIAL

MEETING OF THE NORTH ATLANTIC COUNCIL ON 23 JANUARY: POLAND
STEERING BRIEF

INTRODUCTION

1. The North Atlantic Council will meet on 23 January together with senior officials from capitals to consider how to implement the Ministerial Declaration of 11 January (text at Annex A). This steering brief contains general guidance for our representatives; they should also draw on the papers prepared by MISC 64, especially the record of the meeting held on 14 January.

OBJECTIVES

2. Our broad objectives are the following:-

- (a) To assemble a credible package of measures to be implemented by NATO members as a demonstration of our strong disapproval of events in Poland and to bring about real political change. We wish to show that Soviet involvement is unacceptable and that further (especially military) intervention would have the gravest consequences. We also wish to stress our desire to maintain Alliance cohesion. Measures taken by each member state should be broadly comparable but need not be identical. Their economic cost to the West should not be excessive and should be fairly shared.
- (b) To ensure that the measures already taken by the United States are not applied in such a manner as to frustrate existing contracts undertaken by European firms, if necessary by linking progress on national measures to a solution of this problem.

CONFIDENTIAL

CONFIDENTIAL

- (c) To make suitable arrangements for ensuring that non-Alliance members, particularly the Japanese, keep in step and that there are effective arrangements to monitor our partners' performance.
- (d) To minimise the risks of retaliation by the Soviet Union.

TACTICS

3. In the interest of the Alliance, we wish to encourage our partners to assemble a convincing package rather than to settle for the lowest common factor. The Delegation should therefore give an early indication of our willingness to take some or all of the measures outlined below as part of a NATO response to which all partners would make a comparable contribution. They should include a suitable reference to the problem of existing contracts. They should encourage others to make a similarly positive statement.
4. Final decisions should be reserved for Ministers who will wish to assess the contributions by other governments before making commitments. So far as possible, we should ensure that measures chosen are reversible if there is an improvement in the Polish situation. Sufficient measures should be kept in reserve to deter the Soviet Union from military intervention in Poland and to constitute an effective Alliance response should she nonetheless intervene by force.
5. The outcome is likely to depend on reaching a balance between American willingness to interpret their own measures with sufficient flexibility to permit existing European contracts (especially for the Siberian gas pipeline) to continue, and European willingness to participate in a plausible package

CONFIDENTIAL

CONFIDENTIAL

of measures. The Delegation should therefore, after demonstrating our own willingness to act, concentrate on probing the position of other governments, especially the United States and the FRG.

ATTITUDES OF OTHER GOVERNMENTS

6. The German position will be crucial. So far, they have indicated that they can do no more than enter into positive consultations on how to avoid undermining the American measures.

7. The French have been more robust in tone. They attach particular importance to acting within international law as well as maintaining existing contractual commitments. They are, however, willing to redress the balance in areas (such as their air services and maritime agreements) where the Russians gained undue advantage during the détente period. In the longer term, they say they favour a fundamental review of relations with the Soviet Union.

8. The Japanese are lying low. They have been asked by the Americans not to circumvent their measures but their basis for action is different since they are not committed to the Helsinki Final Act. Their broad intention is to keep in step with the Europeans, by administrative rather than legislative action. They have stated publicly that they will 'pay due attention not to undermine the measures taken by other Western countries'.

EUROPEAN COMMUNITY

9. A number of issues are also being discussed in the European Community:-

- (a) subsidised food supplies and EC humanitarian aid for Poland; there is growing support for our preference for

CONFIDENTIAL

CONFIDENTIAL

the latter. (Brief No 3)

- (b) restrictions on imports from Soviet Union; Foreign Affairs Council will consider on 25/26 January on the basis of a neutrally drafted 'annotated catalogue' provided by the Commission. (Brief No 7)
- (c) non-circumvention of US measures; Foreign Affairs Council are expected to instruct officials to carry out further work; a relatively slow tempo in the Community is satisfactory while the main discussion is pursued in NATO. (Brief No 11)
- (d) export credit. The question whether the Community should adopt a position in favour of up-grading the Soviet Union to the category of relatively rich countries may come before the Council. (Brief No 9)

Decisions on (a), (b), and (d) will have to be taken in the Community before we can enter into detailed discussion of them in NATO.

WEST SIBERIAN GAS PIPELINE

10. This project is a particular, but important, case of the general difficulty surrounding existing contracts. The Department of Trade have produced a paper on the industrial and other implications (Brief No 11). This will be the basis for consultation with those countries most directly concerned in the project (France, Germany and Italy). These consultations will be distinct from the more general Community discussions referred to in paragraph 8 above.

MEASURES CONCERNING POLAND

11. This paragraph takes the measures in the order they are mentioned in the Communiqué; they will be discussed in this order.

CONFIDENTIAL

CONFIDENTIAL

- (a) Restrictions on Diplomats (paragraph 11(A) and Brief No 1(a))

We are prepared to impose travel restrictions on Polish diplomats and official representatives in the UK.

- (b) Scientific Exchange Agreements (paragraph 11(B))

No action contemplated.

- (c) Future Commercial Credits (paragraph 13 and Brief No 2(b))

The UK has placed undrawn officially guaranteed credits in suspense, except where legal or administrative difficulties prevent us from doing so. No new credits will be offered in present circumstances.

- (d) Rescheduling (paragraph 13 and Brief No 2(a))

The Group of Western creditor governments has agreed that negotiations on rescheduling Poland's official debts in 1982 should be postponed for the time being.

- (e) Humanitarian Aid (paragraph 13 and Brief No 3)

We shall act as the Communiqué suggests. Humanitarian aid is also being considered in the EC.

- (f) Food Sales (paragraph 13 and Brief No 4)

We have stopped our government credit for food sales to Poland. We are discouraging the Community from further specially subsidised food sales and hope that finance can be diverted to providing some food in the context of humanitarian aid.

- (g) Tightening COCOM Restrictions (Brief No 5)

This is not included in the Communiqué nor would we wish it to be in the public arena. However, we are prepared to support in COCOM the extension to Poland of the 'no general exceptions policy' applied to the Soviet Union after Afghanistan.

CONFIDENTIAL

CONFIDENTIAL

MEASURES AGAINST THE SOVIET UNION

12. The following summarises our reaction to the measures proposed against the Soviet Union.

- (a) Restrictions on Diplomats (paragraph 11(A) and Brief No 6(a))

We would reduce the free travel area from 35 to 25 miles.

- (b) Scientific Exchange Agreements (paragraph 11(B) and Brief 6(b))

We are prepared to reduce activity under the four Anglo-Soviet agreements. None of these come up for early renewal but nevertheless prepared to consider possibility of termination. Levels of activity are already low.

- (c) Imports from the Soviet Union (paragraph 14 and Brief No 7)

To be considered by EC.

- (d) Maritime Agreements (paragraph 14 and Brief No 8)

Willing to give notice of termination as part of a suitable package.

- (e) Air Services Agreement (paragraph 14)

Not, in our view, a suitable field for action.

- (f) Reduction of Commercial Representation (paragraph 14 and Brief No 6(c))

We have no plans to reduce Soviet commercial representation which is already controlled by ceilings (such a measure would be more appropriate to a general trade embargo).

- (g) Export Credits (paragraph 14 and Brief No 9)

We are prepared to give positive consideration in the Community, and later in the OECD consensus forum, to the possibility that Soviet Union might be reclassified as a relatively rich country.

- (h) High Technology (paragraph 16 and Brief No 10)

Willing to examine carefully any US proposals in COCOM (see paragraph 12 below).

CONFIDENTIAL

CONFIDENTIAL

(i) Factory Fishing (paragraph 16)

We intend to introduce, probably from 1 February, a licencing system. This will enable us to discriminate against Soviet factory ships.

(j) Longer Term Issues (paragraph 16 and Brief No 12)

The Delegation should argue that these matters should be addressed later.

COCOM

13. We accept that, in current circumstances, there is scope for some action in COCOM. But we believe that COCOM machinery should be essentially addressed to longer term strategic and technical considerations. It should also be kept as confidential as possible. A High Level Meeting of officials will take place in Paris on 19/20 January. Its result should be available to the meeting.

TIMETABLE FOR FURTHER DISCUSSIONS

14. We hope that EC Foreign Affairs Council on 25/26 January will make progress on the matters contained in paragraph 8 above. Thereafter, we envisage a further meeting or meetings of the North Atlantic Council. We should seek a final meeting in the series as soon as possible. At this meeting, governments would inform each other of the decisions they had taken or intended to take. It is likely that several allies will insist that announcements should be made subsequently on a national basis; the timing of these announcements should be co-ordinated.

THE PRESS

15. We share the American view that we should try to keep this first meeting out of the limelight. But we wish to ensure that the press gain the impression that effective and substantial work is being urgently undertaken and that Alliance unity is being maintained.

Verbatim Service



VERBATIM SERVICE 004/82

TUESDAY

12TH JANUARY 1982

NORTH ATLANTIC COUNCIL : POLAND.

FOLLOWING IS THE TEXT OF THE DECLARATION ON EVENTS IN POLAND ISSUED FOLLOWING MEETING OF THE COUNCIL AT MINISTERIAL LEVEL ON 11 (ELEVEN) JANUARY 1982 (NINETEENEIGHTYTWO).

QUOTE:

1. THE ALLIED GOVERNMENTS CONDEMN THE IMPOSITION OF MARTIAL LAW IN POLAND AND DENOUNCE THE MASSIVE VIOLATION OF HUMAN RIGHTS AND THE SUPPRESSION OF FUNDAMENTAL CIVIL LIBERTIES IN CONTRAVENTION OF THE UNITED NATIONS CHARTER, THE UNIVERSAL DECLARATION ON HUMAN RIGHTS AND THE FINAL ACT OF HELSINKI.
2. THE PROCESS OF RENEWAL AND REFORM WHICH BEGAN IN POLAND IN AUGUST 1980 (NINETEENEIGHTY) WAS WATCHED WITH SYMPATHY AND HOPE BY ALL WHO BELIEVE IN FREEDOM AND SELF-DETERMINATION: IT RESULTED FROM A GENUINE EFFORT BY THE OVERWHELMING MAJORITY OF THE POLISH PEOPLE TO ACHIEVE A MORE OPEN SOCIETY IN ACCORDANCE WITH THE PRINCIPLES OF THE FINAL ACT OF HELSINKI.
3. THE IMPOSITION OF MARTIAL LAW, THE USE OF FORCE AGAINST POLISH WORKERS, WITH THE THOUSANDS OF INTERNMENTS, THE HARSH PRISON SENTENCES AND THE DEATHS THAT FOLLOWED, HAVE DEPRIVED THE POLISH PEOPLE OF THEIR RIGHTS AND FREEDOMS., IN PARTICULAR IN THE FIELD OF TRADE UNIONS. THESE ACTS THREATEN TO DESTROY THE BASIS FOR RECONCILIATION AND COMPROMISE WHICH ARE NECESSARY TO PROGRESS AND STABILITY IN POLAND. THEY ARE IN CLEAR VIOLATION OF POLISH COMMITMENTS UNDER THE HELSINKI FINAL ACT, PARTICULARLY THE PRINCIPLE RELATING TO RESPECT FOR HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS. DEVELOPMENTS IN POLAND DEMONSTRATE ONCE AGAIN THE RIGIDITY OF THE WARSAW PACT REGIMES WITH RESPECT TO THOSE CHANGES NECESSARY TO MEET THE LEGITIMATE ASPIRATIONS OF THEIR PEOPLES. THIS ENDANGERS PUBLIC CONFIDENCE IN CO-OPERATION BETWEEN EAST AND WEST AND SERIOUSLY AFFECTS INTERNATIONAL RELATIONS.
4. THE ALLIES DEPLORE THE SUSTAINED CAMPAIGN MOUNTED BY THE SOVIET UNION AGAINST EFFORTS BY THE POLISH PEOPLE FOR NATIONAL RENEWAL AND REFORM, AND ITS ACTIVE SUPPORT FOR THE SUBSEQUENT SYSTEMATIC SUPPRESSION OF THOSE EFFORTS IN POLAND. THESE ACTS CANNOT BE RECONCILED WITH THE SOVIET UNION'S INTERNATIONAL UNDERTAKINGS, AND IN PARTICULAR WITH THE PRINCIPLES OF THE FINAL ACT OF HELSINKI, ESPECIALLY THOSE DEALING WITH SOVEREIGNTY, NON-INTERVENTION, THREAT OF FORCE, AND SELF-DETERMINATION. THE SOVIET UNION HAS NO RIGHT TO DETERMINE THE POLITICAL AND SOCIAL DEVELOPMENT OF POLAND.
5. THE ALLIES CALL UPON THE POLISH LEADERSHIP TO LIVE UP TO ITS DECLARED INTENTION TO RE-ESTABLISH CIVIL LIBERTIES AND THE PROCESS OF REFORM. THEY URGE THE POLISH AUTHORITIES TO END THE STATE OF MARTIAL LAW, TO RELEASE THOSE ARRESTED, AND TO RESTORE IMMEDIATELY A DIALOGUE WITH THE CHURCH AND SOLIDARITY. ONLY WITH RECONCILIATION AND GENUINE NEGOTIATION CAN THE BASIC RIGHTS OF THE POLISH PEOPLE AND WORKERS BE PROTECTED, AND THE ECONOMIC AND SOCIAL PROGRESS OF THE COUNTRY BE SECURED. POLAND COULD THEN

EXPECT TO ENJOY FULLY THE BENEFITS OF STABILITY IN EUROPE AND OF CONSTRUCTIVE POLITICAL AND ECONOMIC RELATIONS WITH THE WEST.

6. THE ALLIES CALL UPON THE SOVIET UNIGC TO RESPECT POLAND'S FUNDAMENTAL RIGHT TO SOLVE ITS OWN PROBLEMS FREE FROM FOREIGN INTERFERENCE AND TO RESPECT THE CLEAR DESIRE OF THE OVERWHELMING MAJORITY OF THE POLISH PEOPLE FOR NATIONAL RENEWAL AND REFORM. SOVIET PRESSURE, DIRECT OR INDIRECT, AIMED AT FRUSTRATING THAT DESIRE, MUST CEASE. THE ALLIES ALSO WARN THAT IF AN OUTSIDE ARMED INTERVENTION WERE TO TAKE PLACE IT WOULD HAVE THE MOST PROFOUND CONSEQUENCES FOR INTERNATIONAL RELATIONS.

7. IN THEIR COMMUNIQUE OF 11TH (ELEVENTH) DECEMBER, 1981 (NINETEENEIGHTYONE), NATO MINISTERS REAFFIRMED THEIR COMMITMENT TO WORK FOR A CLIMATE OF CONFIDENCE AND MUTUAL RESTRAINT IN EAST-WEST RELATIONS: WHAT HAS SINCE HAPPENED IN POLAND HAS GREAT SIGNIFICANCE FOR THE DEVELOPMENT OF SECURITY AND CO-OPERATION IN EUROPE. THE PERSISTENCE OF REPRESSION IN POLAND IS ERODING THE POLITICAL FOUNDATION FOR PROGRESS ON THE FULL AGENDA OF ISSUES WHICH DIVIDE EAST AND WEST.

8. THE ALLIES REMAIN COMMITTED TO THE POLICIES OF EFFECTIVE DETERRENCE AND THE PURSUIT OF ARMS CONTROL AND IN PARTICULAR HAVE WELCOMED THE INITIATIVES CONTAINED IN PRESIDENT REAGAN'S 18TH (EIGHTEENTH) NOVEMBER SPEECH. THE SOVIET UNION WILL BEAR FULL RESPONSIBILITY IF ITS ACTIONS WITH REGARD TO POLAND AND ITS FAILURE TO LIVE UP TO EXISTING INTERNATIONAL OBLIGATIONS DAMAGE THE ARMS CONTROL PROCESS. A RETURN TO THE PROCESS OF REAL REFORMS AND DIALOGUE IN POLAND WOULD HELP CREATE THE ATMOSPHERE OF MUTUAL CONFIDENCE AND RESTRAINT REQUIRED FOR PROGRESS IN NEGOTIATIONS IN THE FIELD OF ARMS CONTROL AND LIMITATIONS, INCLUDING THE GENEVA TALKS ON INTERMEDIATE-RANGE NUCLEAR FORCES DUE TO RESUME ON 12TH (TWELFTH) JANUARY.

9. IN VIEW OF THE GRAVE DEVELOPMENTS IN POLAND, WHICH CONSTITUTE A SERIOUS VIOLATION OF THE HELSINKI FINAL ACT, THE ALLIES AGREED THAT THE MADRID CONFERENCE SHOULD DEAL WITH THE SITUATION AS SOON AS POSSIBLE AT THE LEVEL OF FOREIGN MINISTERS.

10. THE ALLIES WILL ALSO INTENSIFY THEIR EFFORTS TO BRING TO THE ATTENTION OF WORLD PUBLIC OPINION AND INTERNATIONAL ORGANIZATIONS INCLUDING THE UNITED NATIONS AND ITS SPECIALIZED AGENCIES SUCH AS THE INTERNATIONAL LABOUR ORGANIZATION: THE VIOLATION OF HUMAN RIGHTS AND ACTS OF VIOLENCE IN POLAND.

11. EACH ALLY WILL IN ACCORDANCE WITH ITS OWN SITUATION AND LEGISLATION IDENTIFY APPROPRIATE NATIONAL POSSIBILITIES FOR ACTION IN THE FOLLOWING FIELDS:

(A) FURTHER RESTRICTIONS ON THE MOVEMENTS OF SOVIET AND POLISH DIPLOMATS, AND OTHER RESTRICTIONS ON SOVIET AND POLISH DIPLOMATIC MISSIONS AND ORGANIZATIONS:

(B) REDUCTION OF SCIENTIFIC AND TECHNICAL ACTIVITIES OR NON-RENEWAL OF EXCHANGE AGREEMENTS:

MEANWHILE THE ALLIES EMPHASIZE:

-THEIR DETERMINATION TO DO WHAT LIES IN THEIR POWER TO ENSURE

THAT THE TRUTH ABOUT EVENTS IN POLAND CONTINUES TO REACH THE POLISH PEOPLE DESPITE THE OBSTACLES CREATED BY THE AUTHORITIES IN WARSAW AND MOSCOW IN DIRECT CONTRAVENTION OF THEIR OBLIGATIONS UNDER THE HELSINKI FINAL ACT:

-THEIR RESOLVE THAT THE EQUALITY OF THEIR RELATIONS WITH THE MILITARY REGIME IN POLAND SHOULD REFLECT THE ABNORMAL NATURE OF THE PRESENT SITUATION AND THEIR REFUSAL TO ACCEPT IT AS PERMANENT:

-THEIR WILLINGNESS TO CONTRIBUTE, WITH OTHER GOVERNMENTS, TO THE SOLUTION OF THE PROBLEM OF POLISH CITIZENS NOW ABROAD AND UNABLE OR UNWILLING TO RETURN TO THEIR OWN COUNTRY.

12. THE ALLIES RECOGNIZE THE IMPORTANCE OF ECONOMIC MEASURES TO PERSUADE THE POLISH AUTHORITIES AND THE SOVIET UNION OF THE SERIOUSNESS OF WESTERN CONCERN OVER DEVELOPMENTS IN POLAND, AND STRESS THE SIGNIFICANCE OF THE MEASURES ALREADY ANNOUNCED BY PRESIDENT REAGAN.

13. REGARDING ECONOMIC RELATIONS WITH POLAND, THE ALLIES:

-NOTED THAT FUTURE COMMERCIAL CREDITS FOR GOODS OTHER THAN FOODS WILL BE PLACED IN ABEYANCE:

-NOTED THAT THE QUESTION OF HOLDING NEGOTIATIONS ABOUT THE PAYMENTS DUE IN 1982 (NINETEENEIGHTYTWO) ON POLAND'S OFFICIAL DEPTS SHOULD, FOR THE TIME BEING, BE HELD IN SUSPENSE:

-AFFIRMED THEIR WILLINGNESS TO CONTINUE AND INCREASE HUMANITARIAN AID TO THE POLISH PEOPLE FOR DISTRIBUTION AND MONITORING BY NON-GOVERNMENTAL ORGANIZATIONS TO ENSURE THAT IT REACHES THE PEOPLE FOR WHOM IT IS INTENDED:

-NOTED THAT THOSE ALLIES WHICH SELL FOOD TO POLAND WILL SEEK THE CLEAREST POSSIBLE POLISH COMMITMENTS WITH REGARD TO THE USE OF THE FOOD.

14. IN THE CURRENT SITUATION IN POLAND, RELATIONS WITH POLAND AND THE SOVIET UNION ARE BOUND TO BE AFFECTED. SOVIET ACTIONS TOWARDS POLAND MAKE IT NECESSARY FOR THE ALLIES TO EXAMINE THE COURSE OF FUTURE ECONOMIC AND COMMERCIAL RELATIONS WITH THE SOVIET UNION. RECOGNISING THAT EACH OF THE ALLIES WILL ACT IN ACCORDANCE WITH ITS OWN SITUATION AND LAWS, THEY WILL EXAMINE MEASURES WHICH COULD INVOLVE ARRANGEMENTS REGARDING IMPORTS FROM THE SOVIET UNION, MARITIME AGREEMENTS, AIR SERVICES AGREEMENT, THE SIZE OF SOVIET COMMERCIAL REPRESENTATION AND THE CONDITIONS SURROUNDING EXPORT CREDITS.

15. THE ALLIES WILL MAINTAIN CLOSE CONSULTATIONS ON THE IMPLEMENTATION OF THEIR RESOLVE NOT TO UNDERMINE THE EFFECT OF EACH OTHER'S MEASURES.

16. IN ADDITION TO AGREEING TO CONSULT ON STEPS TO BE TAKEN IN THE NEAR FUTURE, THE ALLIES WILL ALSO REFLECT ON LONGER-TERM EAST-WEST ECONOMIC RELATIONS, PARTICULARLY ENERGY, AGRICULTURAL COMMODITIES AND OTHER GOODS, AND THE EXPORT OF TECHNOLOGY, IN LIGHT OF THE CHANGED SITUATION AND OF THE NEED TO PROTECT THEIR COMPETITIVE POSITION IN THE FIELD OF MILITARY AND TECHNOLOGICAL CAPABILITIES, UNQUOTE.

ENDS VS QQ4/82 L.P.S.

06



Foreign and Commonwealth Office

London SW1A 2AH

20 January 1982

~~Prime Minister~~

I have told Mr. Edwards all this.
He remains grateful.

X gives some ground for hope
but we are not out of the wood

yet.

A.S.C. 20.1

A.S.C. 21.1

h.a.

Dear John,

Mr Greg Miskiw

You asked whether there has been any further developments in this case.

Our Consular Department was in touch with the Embassy in Warsaw by telex at 11.39 this morning. The Consul discussed the case with the Ministry of Foreign Affairs yesterday and pointed out that the cost to Miskiw of having to stay in an hotel was likely to be prohibitive if no date could be given for the hearing. A Polish national in the same position would stay at home. It was therefore particularly hard on a foreigner. The MFA are disposed to be helpful and told our Consul orally that if Miskiw's lawyer were to apply to the court for permission to return to the UK they would support the application. Miskiw's lawyer is in the process of submitting the application.

x | I understand that if permission is given for Miskiw to return, the likelihood is that bail would be set at an amount in hard currency which would mitigate the disappointment of the Polish authorities if Miskiw should fail to surrender to bail.

There is still no indication of the date of the appeal hearing which, as I said in my earlier letter, is dependent on the preparation of the prosecution's case.

Miskiw is apparently holding up well and at the time of the telex contact was in the Embassy canteen having a sandwich and a beer.

/I shall

A J Coles Esq
10 Downing Street



I shall keep you informed of any further developments,
but I doubt whether these are likely to be significant on
a day-to-day basis.

Yours ever.
F N Richards

(F N Richards)
Private Secretary



QUEEN ANNE'S GATE LONDON SW1H 9AT

Prime Minister

To note, pending F/C.O.

20 JAN 1982

Feb.

A.T.C. 6/2

~~NA 9/2~~

h-a-

MS

Our officials have been discussing the situation of Polish nationals in the United Kingdom and what response might be made to the Austrian appeal for friendly States to share the burden of the large number of Polish nationals presently accommodated there.

I should of course like to make a generous response to Polish nationals who find themselves in difficulties in the present situation. I am aware of your initiatives in the E.C. and the recent decision of the Foreign Ministers of the Ten that they should study what can be done to alleviate the situation of Poles outside Poland who do not wish to return to their country under present circumstances. However, I cannot consider the Austrian appeal in isolation from our present and future actions with regard to the not inconsiderable number of Poles who found themselves temporarily in this country when martial law was imposed, and to what may happen if and when Poles became free to travel abroad again. This could be a long drawn out affair and it is important that the response we make does not weaken our general stance on immigration policy - where there are pressures on every side and it is especially important to avoid accusations of racial bias. From this point of view it is very desirable that anything we do specially for Poles should be worked out and presented as being part of an operation in which other European countries are also playing their part - and preferably taking a more generous part since they do not face the same immigration pressures elsewhere as we do.

Our best estimate is that some two thousand to three thousand Poles were in this country on a temporary basis at the declaration of martial law in Poland on 13th December last. We have since undertaken that for the time being no Poles will be returned to Poland against their will. This line has, I think, been generally reflected throughout the Western world. In those cases where delay in return to Poland has caused financial hardship, conditions of stay have been varied to enable applicants to take employment or, where necessary, to avail themselves of the appropriate social security benefits. We propose to continue with this sympathetic approach for the time being, exceptionally outside the Rules, on the understanding that when the situation in Poland improves to an extent that it would be reasonable for those Poles here temporarily to return home, we would expect them to do so.

/What we have not

The Rt. Hon. Lord Carrington, K.C.M.G., M.C.

What we have not done is to regard these Polish nationals in the United Kingdom as refugees under the 1951 Convention, nor have we accorded them asylum in the United Kingdom. Indeed, if all were to be individually examined on these bases, I would think that only a very few would qualify. Significantly, since the introduction of martial law in Poland, only one or two Poles have sought asylum as opposed to a much larger number who have requested extensions of stay until the situation in Poland settles down. These facts have a direct bearing on the Austrian situation.

While the Austrians refer to the large number of Polish nationals on their territory as "refugees", the United Nations High Commissioner for Refugees deems them "asylum-seekers". This term has no meaning under the 1951 Convention and in practice many of them will not merit recognition as refugees under the 1951 Convention. If the United Kingdom were to respond to the Austrian appeal in such a way as to appear to accept the Austrian description of their Poles as refugees we should be obliged to endow those Poles now in the United Kingdom on a temporary basis with a status and permanency which I do not feel they either merit or necessarily want. To attempt to blur the definition of refugee status or to find some new intermediate status would have the effect of turning what should be a humanitarian exercise for the benefit of those in internationally recognised need of resettlement refugees as properly defined, into an exercise which would be a single relaxation of normal immigration entry requirements. I cannot do this in the context of the many other immigration pressures I face.

I have considered very carefully how we might avoid this situation and yet respond with our traditional generosity to an international appeal. The office of the United Nations High Commissioner for Refugees indicated in a letter of 30th December to the Head of the Permanent Mission in Geneva that U.N.H.C.R. would be prepared to provide the necessary facilities in a selection process. It would therefore seem reasonable to require that, as a first step, any Pole in Austria seeking resettlement here was properly recognised as a refugee in accordance with the definition contained in the 1951 Convention. This would serve to distinguish those Poles in Austria seeking resettlement from those temporarily here.

I think it would also be reasonable to accept only those recognised refugees for whom, by ties of family, education or language, the United Kingdom is the most appropriate country of resettlement. Since, moreover, the voluntary refugee agencies are in no position to offer sponsorship or large-scale reception facilities, we must look to private sponsorship for those who wish to come here. These two conditions which could be applied with a measure of flexibility would help to enable those coming here to integrate rapidly and successfully into the community.

Finally, there is a risk that an applicant, who otherwise fulfills the criteria I have already outlined, might represent a threat to national security. It would be essential that applicants were individually acceptable.

/I believe that

I believe that a response on these lines would be a positive response, especially when viewed against what we are already doing for Poles in this country. We need to get our approach to what is likely to be a long term problem on sound lines at the start. If you agree with these proposals in principle, I should think the next step would be to take soundings about what other countries in Europe are prepared to do, if they are likely to respond too, the United Kingdom responses could then be made firm and presented as part of a wider European operation.

Obviously we should need to agree on the form and timing of any announcement and officials would need to work out the detailed administration arrangement.

I am sending a copy of this letter to the Prime Minister.

Leon Hunt 5

10
9
8
7
6
5
4
3
2
1

RI J...

Vertical red mark

Faint red markings

Private Office

ois

AJC



p.a. on
Poland file.

A.F.C. 1/1

With the compliments of

EAST EUROPEAN AND SOVIET DEPARTMENT

For onward transmission to No. 10
please

FOREIGN AND COMMONWEALTH OFFICE
LONDON, SW1A 2AH

20/1

BY BAG

FROM BONN

CONFIDENTIAL

FRAME ECONOMIC

TO FCO TELNO 2 OF 19 JANUARY 1982

COPIES TO WASHINGTON, WARSAW, MOSCOW, UKDEL NATO,
PARIS, UKREP BRUSSELSFRG ECONOMIC INTERESTS IN THE EAST: THE BACKGROUND TO THE
SANCTIONS DEBATE

1. Approximately 0.7% of the FRG's external trade is with Poland and approximately 2.2% with the Soviet Union. Trade with COMECON accounts for nearly 6.2% of the FRG's external trade overall (cf 6.5% for trade with UK). In 1980 exports to Poland were valued at DM2.7 billion and to the Soviet Union at DM7.9 billion (taking the two figures together - approximately $\text{DM}4.6$ billion). (See memorandum circulated under cover of Unwin's letter to Bridges of 18 March 1981 for more detail.) German banks have assets of approximately US $\text{\$}4.5$ billion at risk in Poland of which only a half (US $\text{\$}2.8$ billion) is covered by Hermes guarantees. In addition, the Federal Government is owed DM4.5 billion (US $\text{\$}2$ billion).

2. Trade with the East is important politically for the Germans. They regard its development as an essential part in the process of developing and maintaining better political relations with the East. Their expectations of the economic benefits to be gained from Ostpolitik and détente have, to some extent, been disappointed but their hopes that expansion can continue remain as strong, as instinctive and deeply rooted, as ever. The West Siberian gas pipeline is the largest but by no means the only indicator of the kind of business the FRG can hope to do with the Soviet Union. For historical, geographical and cultural reasons the East is a natural theatre for German economic activity. Objectively, economic prospects for

● The FRG in the East must be regarded, in the long term, as good. For all that, the Government as well, of course, as businessmen recognise not only the economic but also the political limitations with which trade with the East has to be conducted and in consequence the hard fact that for a long time yet aspirations will run a long way ahead of reality. The aspirations do, however, exist.

3. For the present, the current value of German trade with the East is by no means insignificant. The pattern is also favourable. Germany exports modern technology but also less sophisticated items eg. textiles, from sectors which are not fully competitive in international markets and where, as a result, jobs are vulnerable. Furthermore, the disparity in development between the economy of the Federal Republic and the economies of the East means that there is a certain beneficial complementarity in the trade - from Germany a range of manufactures from the sophisticated to the routine and from the East, overwhelmingly hydrocarbons (70% imports from the Soviet Union) and other raw materials. The Soviet Union has proved to be a reliable source both of oil and gas for many years past, valued particularly by the Germans because it enables them to diversify away from the Middle East.

4. At the present juncture there is an underlying concern here that any serious and long drawn out interruption of the FRG's economic links with the East would be a set back not only to prospects and hopes for détente but also reasonable hopes for worthwhile economic developments. In addition, useful exports would be lost and vulnerable jobs placed at risk. At a time when economic prospects world wide are so uncertain and when the Federal Republic is more than ever dependent on an improving export performance, disruption of economic links with the East would be particularly unwelcome. There is also the situation of the German banks. The big banks are not very heavily exposed in relation to their overall assets. But for some of the smaller ones the position is considerably more serious and there is a risk that some of them might declare the Poles in default. The Germans are very concerned about the knock on effect. Coming after two years of poor trading profits for the German banks it would be very bad news psychologically and financially. It is against this background that the Federal Government are considering

/President

CONFIDENTIAL

President Reagan's appeal for sanctions and efforts within the Alliance to concert positions vis à vis Poland and the Soviet Union on economic matters.

5. The Germans continue to work on the assumption that the West Siberian pipeline will go ahead. They are taking the line that American sanctions will not significantly affect it but accept that non-delivery of caterpillar equipment and, more especially, non-delivery of General Electric rotors will delay things. There is so far little concern here about the impact on US-FRG relations of going ahead with the pipeline. And the Germans do not seem to be worried lest delays falsify some of the financial assumptions underlying the deal and thus place the whole thing at risk. For the rest, they are taking the line that the American licensing restrictions on exports will not harm other current business with the East, nor do they consider these restrictions should apply to products manufactured by European subsidiaries under American licensing.

6. With regard to the examination of future economic and commercial relations with the Soviet Union (para. 4 of UKDEL NATO telno 15), official opinion is sceptical about the effectiveness of sanctions, anxious not to damage German economic interests but concerned to maintain Alliance solidarity. Officials expect to find some measures to offer to the NATO follow up meeting but the indications are that they will be rather modest. The Germans will not be keen to interrupt imports from the Soviet Union but for Alliance reasons will feel compelled to do something. The Maritime Agreement between the Soviet Union and the Federal Republic has a 12 month break clause: abrogating it would thus have no immediate consequences. They are however considering postponing the start of discussions with the Soviet Union on a roll on roll off ferry link between Luebeck and Memel (Bonn telno 916 of 17 November). Action on the air services agreement is under consideration as is the question of restricting Hermes guarantees. Another step under consideration is licensing arrangements on road freight from the Soviet Union to the Federal Republic. Action on this would be likely to complicate rather than check trade flows. As regards CCCC, the Germans are likely

/to find

to find tightening up there less unpalatable than any significant attempt to curtail existing business.

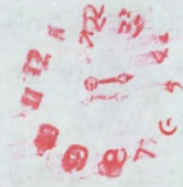
7. As for Poland, within the Government the emphasis still seems to be on trying to offer inducements to the Poles to keep to their promises rather than to seek to punish them. See the Government motion for the debate in the Bundestag on 14 January (my telno 26). In the same debate the Federal Chancellor repeated the earlier suggestion (made by Genscher on 6 January - Bonn telno 89) that substantial aid might be available to Poland if renewal could be restarted. Lautenschlager told me recently, with reference to the report in the Herald Tribune on 9 January alleging that Chancellor Schmidt and Genscher had proposed to President Reagan a US \$5 billion aid programme for Poland, that no specific proposals or figures had, in fact, been mentioned but that, as Genscher had explained in Stuttgart on 6 January, the Germans felt that the idea of an offer of significant financial and economic assistance was something that the Alliance should consider in addition to sanctions. He added that even if the idea were accepted it was not clear where the money could be found: and the Finance Ministry here can be relied on to oppose bitterly any major new demand for Federal funds. According to a gloss from the Federal Chancellery Genscher's stress on economic aid is tactical. Even if the money could be found it was doubtful that the Soviets would allow the Poles to accept. The important thing was to give the Polish regime some incentive for liberalisation. But, tactical or not, I do not think the Germans will let go at all easily of the concept of seeking to use the carrot in preference to the stick.

TAYLOR

FRAME ECONOMIC
ECD(E)
WED
EESD

[THIS TELEGRAM WAS NOT ADVANCED]

20 JAN 1952



RECEIVED
JAN 20 1952
U.S. AIR FORCE

GRS 580

RESTRICTED

RESTRICTED

FM WARSAW 191610Z JAN 82

TO IMMEDIATE FCO

TELNO 133 OF 19TH JANUARY 1982

INFO ROUTINE: WASHINGTON, MOSCOW AND UKDEL NATO
INFO SAVING: EAST BERLIN, PRAGUE, BELGRADE, SOFIA, BUCHAREST,
BUDAPEST, HELSINKI, STOCKHOLM, PARIS, BONN, UKMIS NEW YORK,
UKREP BRUSSELS AND MODUK

POLAND : THE CHURCH.

1. THERE WAS A MEETING YESTERDAY OF THE JOINT CHURCH/STATE COMMISSION. THE PAP REPORT SAID THAT THE MAIN THEME FOR THE MEETING WAS THE POLITICAL AND ECONOMIC SITUATION IN POLAND AND THE SEARCH FOR WAYS OUT OF THE CRISIS. BOTH SIDES AGREED ON THE URGENT NEED FOR POLITICAL SOLUTIONS WHICH WOULD LEAD TO REAL AND LASTING UNDERSTANDING AND NATIONAL UNITY. IT WAS AGREED THAT COOPERATION BETWEEN CHURCH AND STATE WOULD MAKE AN EFFECTIVE CONTRIBUTION TO SPEEDING THE END OF MARTIAL LAW. IN THIS CONTEXT THE FUTURE ACTIVITIES OF THE TRADE UNIONS AND OTHER SOCIAL ORGANISATIONS WAS DISCUSSED AND THE BASIS OF OPERATION OF EDUCATIONAL INSTITUTIONS.
2. THE GOVERNMENT REPRESENTATIVES INFORMED THE CHURCH ABOUT THE MEASURES THAT JARUZELSKI WOULD ANNOUNCE TO THE SJM NEXT WEEK WHICH WOULD BE AIMED AT "LIMITING THE IMPOSITION" OF MARTIAL LAW. BOTH SIDES AGREED THAT IN ITS CURRENT EXTREMELY DIFFICULT SITUATION THE COUNTRY NEEDED ECONOMIC HELP RATHER THAN ECONOMIC SANCTIONS, WHICH HINDERED THE OVERCOMING OF THE CRISIS SIGNIFICANTLY AND FRUSTRATED A RETURN TO THE FULL REALISATION OF THE PROCESS OF ODNOWA IN THE SPIRIT OF THE SOCIAL AGREEMENTS.
3. REPRESENTATIVES OF THE EPISCOPATE EXPRESSED THEIR DISQUIET AT INCIDENTS WHICH SEEMED TO HAVE OCCURRED BECAUSE OF SPITE TOWARDS CITIZENS AND WHICH WEAKENED PEOPLES TRUST (IN THE AUTHORITIES). THE GOVERNMENT SAID THAT THIS HAD NOT BEEN THE INTENTION OF THE AUTHORITIES. FINALLY THEY DISCUSSED THE ACTIVITIES OF THE CHURCH ORGANISATIONS AND OF CARITAS.
4. MEMBER OF CHANCERY WAS TOLD TODAY BY A CHURCH PRESS SPOKESMAN THAT THE PAP REPORT CONSTITUTED AN AGREED COMMUNIQUE. HE COULD NOT ADD ANYTHING TO IT. BUT IT WAS SIGNIFICANT THAT THE MEETING HAD CONCENTRATED ALMOST ENTIRELY ON MATTERS WHICH WERE NOT DIRECTLY THE CONCERN OF THE CHURCH. THE CHURCH'S AIM AT THE MEETING HAD BEEN TO CONVINCING THE GOVERNMENT OF THE NEED FOR DIALOGUE WITH ALL SECTIONS OF SOCIETY. WHEN HARRISON ASKED WHETHER THE CHURCH THOUGHT THAT DIALOGUE BETWEEN THE GOVERNMENT AND SOLIDARITY WAS

RESTRICTED

7 LIKELY

RESTRICTED

LIKELY IN THE NEAR FUTURE, THE SPOKEMAN SAID THAT THE CHURCH CONTINUED TO HOPE SO. BUT HE GAVE THE IMPRESSION THAT IT WAS UNLIKELY.

5. THE CHURCH HAS ENDORSED THE GOVERNMENT'S PLEA FOR MORE ECONOMIC ASSISTANCE. THIS IS LARGELY A COSMETIC CONCESSION IN THAT THE CHURCH HAS ALWAYS BELIEVED AND STATED THAT THE WEST SHOULD CONTINUE HUMANITARIAN AID. IN RETURN, THE GOVERNMENT HAS ALLOWED INTO THE COMMUNIQUE A PHRASE ABOUT VIOLATIONS OF HUMAN RIGHTS. IT HAS ALSO TOLD THE CHURCH WHAT JAURUZELSKI INTENDS TO ANNOUNCE AT THE SEJM NEXT MONDAY. THE CHURCH IS THUS CONTINUING ITS POLICY OF FIRM PUBLIC STATEMENTS OF ITS POSITION (GLEMP'S SERMON ON SUNDAY) AND REALISTIC DIALOGUE WITH THE GOVERNMENT (ESTERDAY'S MEETING).

6. A MEETING OF DIOCESAN BISHOPS IS TAKING PLACE IN WARSAW TODAY. THIS IS AN EXTRAORDINARY AND UNOFFICIAL MEETING WHICH DOES NOT CONSTITUTE A FULL EPISCOPAL CONFERENCE. IT IS EXPECTED TO LAUNCH AN APPEAL FOR HUMANITARIAN AID.

FCO PLEASE PASS SAVING TO ALL SAVING ADDRESSEES

MELHUISH

[REPEATED AS REQUESTED]

POLAND SPECIAL
STANDARD

EESD
CSCE UNIT
NAD
SED UND
WED
ECD (E)
ESID
FED
CAD
SAD

TRED
ERD
SEC D
OLA
CONS D
CONS EM UNIT
CABINET OFFICE

ADDITIONAL DISTN.
POLAND SPECIAL

[COPIES SENT TO NO 10 DOWNING ST]

2
RESTRICTED

LAND:

ADVANCE COPIES

24

27

PS
PS/LPS

PS/LORD TREFGARNE

PS/PUS

MR BULLARD

MR FERGUSSON

SIR A AGLAND

MR GILLMORE

Mr Goodison

HD/LND

HD/EESD (allocated)

HD/DEF D

HD/PUSD (2)

HD/WED

HD/ECD(E)

HD/PLANNING STAFF

HD/NEWS D

HD/CONS D

HD/CONS EM UNIT

~~RESIDENT CLERK~~

HD Planning Staff

HD ERP.

~~NO 10 DOWNING ST~~
ASSESSMENT STAFF
CABINET OFFICE
DIO CABINET OFFICE

CREX DOT.

ADVANCE COPY

IMMEDIATE

CONFIDENTIAL

FROM UKREP BRUSSELS 191030Z JAN 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 181 OF 19 JANUARY 1982

INFO IMMEDIATE PARIS BONN WASHINGTON UKDEL NATO

YOUR TELNO 59 TO WASHINGTON; POLAND; ECONOMIC MEASURES TOWARDS THE SOVIET UNION

1. I HAD A TALK WITH VEST ABOUT THIS OVER LUNCH YESTERDAY. HE TOLD ME IN STRICT CONFIDENCE (PLEASE PROTECT) ABOUT A CONVERSATION HE HAD HAD WITH HAIG WHEN THE LATTER WAS HERE FOR THE 11 JANUARY NATO MEETING. HE HAD EXPLAINED TO HAIG THE GREAT DIFFICULTIES WHICH HAD ARISEN OVER EXISTING CONTRACTS IN THE CASE OF IRAN AND HAD ASKED HIM WHETHER IN FACT THE US GOVERNMENT WERE TRYING TO USE THE POLISH CRISIS PERMANENTLY TO BLOCK THE PIPELINE. HAIG HAD SHOWN UNDERSTANDING ABOUT EXISTING CONTRACTS AND HAD SAID CATEGORICALLY THAT THE US GOVERNMENT HAD NOT DECIDED ON A POLICY OF BLOCKING THE PIPELINE. HE HAD IMPLIED THAT HE WOULD PREVENT THIS.

2. VEST SAID THAT HE HAD URGED STRONGLY ON THE STATE DEPARTMENT THE NEED TO DISCUSS THE WHOLE SUBJECT FRANKLY WITH THE MAIN EUROPEAN COUNTRIES SOON IF A CLASH WERE TO BE AVOIDED BETWEEN THE UNITED STATES AND THE EUROPEAN COMMUNITY. HE HAD SUGGESTED A MEETING IN THE MARGIN OF ECSS IN PARIS THIS THURSDAY.

3. THIS SEEMS TO ME A GOOD IDEA. IF WE, THE FRENCH AND THE GERMANS COULD HAVE A FRANK DISCUSSION WITH THE AMERICANS THIS WEEK ALONG THE LINES OF YOUR TELEGRAM UNDER REFERENCE AND IF AS A RESULT YOU, GENSCHER AND CHEYSSON COULD GO INTO DISCUSSIONS WITH YOUR COMMUNITY PARTNERS ON MONDAY OR TUESDAY WITH A BROADLY AGREED POSITION, MOST OF THE COMMUNITY WOULD FOLLOW ALONG. OTHERWISE THE RISK OF CONFUSION AND DISARRAY WITHIN THE COMMUNITY AND BETWEEN THE COMMUNITY AND THE UNITED STATES NEXT WEEK SEEMS SERIOUS.

4. PARIS PLEASE PASS COPY IMMEDIATE TO BRIDGES.

FCO ADVANCE TO:-

FCO - EESD ECD(E) PLANNING STAFF ERD

DOT - CRE4

BUTLER

NNNN

Mirror Group Newspapers Limited

From the Editor

Holborn Circus EC1P 1DQ
Telephone: 01-822 3144
Telegrams: Mirror London EC1
Telex: 27286

mf

January 19th 1982

RS

h.a.
M24/11

Dear Prime Minister,

Your concern and help over Greg Miskiw is enormously appreciated. It was wonderful of you to spare the time to see us yesterday about him and to take so much trouble. His girl-friend had a letter from him today written a few days ago which showed he was really low in spirits. Yesterday, thanks to you, they were able to converse for a long time on the telex and there is no doubt his morale improved

2.

with every minute. She described him afterwards as worried but "perky."
I know you are being fully informed and simply want to express my warmest possible thanks.

Yours ever,

Bob Edwards

The Rt Hon Margaret Thatcher, MP
10, Downing St,
London SW1.

PS. I forgot to say thanks for the very nice coffee!

Island



File
cc: Mr. Ingham
Mr. Coles

RM
P. S. G. G.

B/K

10 DOWNING STREET

cc

From the Private Secretary

19 January, 1982

Mr Greg Miskiw

Thank you for your letter of 18 January.

I gave Mr Bob Edwards of the Sunday Mirror an account of the latest situation last night. He was most grateful. He told me that Mr Miskiw had been in touch with his girl-friend in this country that day by telex (and believed that the Embassy in Warsaw had helped to arrange this). In this message Mr Miskiw had said that the Embassy were being most helpful and that his lawyer was reasonably confident that the appeal would not result in a harsher sentence. I agreed with Mr Edwards that the best hope was that the appeal would be heard quickly and that it would merely confirm the original sentence. I suggested that we should do nothing to upset that prospect but I promised that we would follow the case on a daily basis and stay in touch with him.

B/K

I subsequently reported this conversation to the Prime Minister and showed her your letter. The Prime Minister has asked me to keep her regularly informed about developments in the case. I should, therefore, be grateful if the Embassy in Warsaw could be asked, if necessary, to report any new developments quickly and also to let us have regular reports on Mr Miskiw's condition.

On a point of detail, Mr Edwards said that he hoped that Mr Miskiw would now be able to make contact with his newspaper. He would be grateful if the Embassy could tell him that his best point of contact was Mr P J Wilson, the News Editor.

you see
see below

Roderic Lyne, Esq
Foreign and Commonwealth Office

BSS



RW

10 DOWNING STREET

19 January, 1982

From the Private Secretary

Poland

The Prime Minister has seen your letter of 13 January and taken note of the further economic measures which Lord Carrington proposes that we should take. She assumes that Lord Carrington will ensure that there is an opportunity to consider, if necessary collectively, the measures to be taken by the United Kingdom in the light of what other members of the Alliance are prepared to do before any firm commitment of public announcement is made. (This point is also referred to in Jonathan Rees' letter of 18 January which the Prime Minister has not yet seen). In the light of what may be United States tactics over the gas pipeline, Lord Carrington may also wish to consider the possibility of a reverse linkage, whereby we might suggest to the Americans that it would be easier for us to put together what they would regard as an adequate package of measures if they were prepared to be helpful over existing contracts.

The Prime Minister has also noted the technical difficulties which might arise if any Community humanitarian assistance to Poland were attributable to the Community aid budget. She hopes that this problem can be resolved by the Departments concerned.

I am sending copies of this letter to John Kerr (HM Treasury), Jonathan Spencer (Department of Industry), John Rhodes (Department of Trade), Kate Timms (MAFF) and David Wright (Cabinet Office).

A. L. COLES

F N Richards, Esq
Foreign and Commonwealth Office

CONFIDENTIAL

Hand
CONFIDENTIAL

Jub
cc Mr. Ingham.

BF
19 January 1982

Day of Solidarity with the
Polish People

Thank you for your letter of 15 January.

OK
The Prime Minister is willing to record a message to be broadcast on 30 January. As you say, the American networks or the United States Embassy on their behalf should make arrangements direct with the Press Office here. I should be grateful if you would let me have an appropriate draft for such a message (which the Prime Minister envisages as being brief).

The Prime Minister has also commented on the general idea of a Day of Solidarity to the effect that its efficacy will depend on its non-governmental character.

A. J. COLES

Brian Fall, Esq.,
Foreign and Commonwealth Office.

CONFIDENTIAL



From the Secretary of State

CONFIDENTIAL

John Coles Esq
Private Secretary
10 Downing Street
London, SW1

Prime Minister

To note. I have already made,
on your behalf, the point at X.

A.F.C. 18.1

MT.

A.F.C. 20.1

h.a.

18th January 1982

Dear John,

John are you holding this letter

Francis Richards' letter of 13 January, (paragraph 3), sought agreement to the possibility of a statement in Parliament immediately after the decisive session in NATO. I am writing to record my Secretary of State's view that before such an announcement is made, and any final decisions are taken, Ministers will need to review the contents of any United Kingdom "package".

Your letter of 8 January recording the meeting at Number 10 the previous day, makes clear Ministers' agreement that measures taken by the United Kingdom should not be such as to harm our interests to a greater extent than the Americans were prepared to hurt their own. Concern was also expressed about the effect of American measures on existing contracts of United Kingdom firms; the Foreign and Commonwealth Secretary, in consultation with my Secretary of State, was asked to report back if the problem could not be satisfactorily clarified. The problem remains; the American measures will do substantial damage to our economy if they are not changed. Contracts totalling some £110m are directly at risk and there will be continuing damage to our trade which could amount annually to as much again or even more.

Other EC countries are likely to be affected to at least a similar extent. We will face a very difficult time in Parliament in defending such measures as are agreed unless there is a rough equality of sacrifice among members of the Alliance (including Japan). There will be sharp criticism from both our own supporters and the Opposition if United Kingdom firms are forced into cancelling contracts with consequential effects on unemployment as a result of United States measures.

CONFIDENTIAL



From the Secretary of State

CONFIDENTIAL

Therefore my Secretary of State considers that before any United Kingdom measures against the USSR and Poland are agreed or announced, Ministers should collectively review the United Kingdom package in the light of the measures proposed by our Allies; in particular we will need to consider the United States attitude on the effect of their measures for United Kingdom firms with binding contractual commitments.

Copies of this go to all recipients of Francis Richards' letter.

Yours Sincerely,

Jonathan Rees

J N REES
Private Secretary

CONFIDENTIAL



JAN 8 1962

FEB 1 1962
FBI

COMMUNICATIONS SECTION

UNITED STATES DEPARTMENT OF JUSTICE

PRIME MINISTER

80
Mr. Greg Miskiw

I still await a report from the Embassy in Warsaw, but Mr. Bob Edwards has just rung to say that Mr. Miskiw has been in touch with his girlfriend in this country, using the telex in our Embassy. Mr. Edwards is in no doubt that the Embassy have made contact with Mr. Miskiw as a result of his meeting here this morning, and he is most grateful (he may be right, since I immediately telegraphed the Embassy asking them, if they had not recently had access to Miskiw, to make contact with him today). Miskiw apparently told his girlfriend that he was well but worried. The Sunday Mirror are hoping to talk to him by telex later today. I hope that we shall have further information from Warsaw, and Mr. Edwards and I will be talking later this evening.

A. J. COLES

18 January, 1982.

OCC

825701 FCOHSP G
919347 CONSUL G

ERE OUT OF TURN DESKBY

DIS 10/18

OO WARSAW DESKBY 1300Z/18

GPS 102

UNCLASSIFIED
FROM CONSULAR DEPT LONDON 181205Z JAN
TO IMMEDIATE WARSAW DESKBY 181300Z
TEL NO DISTRESS 18 OF 18/1/82

MISKIW.

GRATEFUL DESKBY 1700Z TODAY ANSWERS TO FOLLOWING FOR PRIME MINISTER'S OFFICE:

- A) WHAT IS NATURE OF APPEAL? I.E. FOR RETRIAL, HARSHER SENTENCE OR FOR HEARING BY MILITARY COURT?
- B) WHEN WAS MISKIW LAST SEEN AND WHAT IS HIS PRESENT STATE OF HEALTH? (YOUR TEL 23 PARA 2 REFERS).
- C) WHAT ARE CONDITIONS OF BAIL?
- D) ANY INDICATION OF APPEAL DATE?

2. FIRST SENTENCE YOURTEL 037 READ IN CONJUNCTION WITH PARA 2C YOURTEL 1043 APPEARS CONFUSING IN VIEW OF OUTCOME OF TRIAL AND YOUR DISTRESS 11. GRATEFUL CLARIFICATION.

NNNN
SENT JIM/1215Z
825701 FCOHSP G
919347 CONSUL G

See

REPORT

FROM THE FEDERAL REPUBLIC OF GERMANY

Jan. 18, 1982.

GENSCHER SPEAKS ON POLAND

Herr Hans-Dietrich Genscher spoke in the Bundestag debate on Chancellor Schmidt's policy statement on Jan. 14. The following is the text of the Foreign Minister's speech:

The process of internal renewal and reform initiated by the Gdansk Agreement of August 1980 has been abruptly interrupted by the military council's assumption of power. Until now, the expectations have proved unfounded which the Polish people felt they could link -- and indeed had to link -- to what the military leadership promised: a return to the process of reform and renewal.

The whole world has until now waited in vain for signals by the Warsaw military council that the course of reform is being resumed. We cannot ignore the fact that developments have not changed for the better. In fact, there are now many signs that a long-term development is to be initiated, leading away from the course of reform and renewal.

In its evaluation of developments in Poland, the Federal Government has from the outset attached importance to the assessment by the Catholic Church. The Federal Government shares the deep concern at the development that has now occurred, as voiced in such deeply-moving fashion by Archbishop Glemp in his sermon of Jan. 6 and as also expressed in the statement made by the Pope last Sunday.

The Federal Government expressed the same concern as Archbishop Glemp did, albeit not on exactly the same day, but I am at all times fully aware of the fact that it is far easier for us to comment on Polish developments from here than for those who hold responsibility there and are among the few who by dint of their position -- such as the Primate -- are able to make such a public statement.

Easing of the martial law in individual cases cannot dispel our concern. The military government's readiness for genuine dialogue is also being called in question by the talks with unnamed and evidently not legitimate representatives of the Solidarity trade union.

Until Dec. 13, 1981, our fellow-countrymen followed the events in Poland with particular sympathy and hope, and since then they have viewed the developments with great concern and uneasiness.

There can be no doubt as to where we stand with regard to Poland. The Federal Chancellor made this clear on a number of occasions. We are on the side of the Polish citizens, for whom a free trade union is the expression of their will for reform and renewal.

We Germans are profoundly aware of the tragedy of the Polish fate. Poles and Germans are linked to one another by an eventful history. After a past full of suffering they have arrived at mutual understanding marked by efforts for accommodation and reconciliation.

I gladly add for the sake of those who can hear us in Poland and elsewhere: there were fierce debates here in the Bundestag in connection with the treaties concluded with the East, but despite these fierce debates, one must not ignore the fact that for the overwhelming majority of the German people, and also for the members of the Bundestag from all parties, the question of reconciliation with Poland was never at issue.

The Warsaw Treaty reflects our determination to break the vicious circle which, owing to wrongdoing followed by further wrongdoing, force followed by further force, plunged Europe from one war into another.

The Warsaw Treaty documents a new start not only in the relations between Germans and Poles but also in the will of the peoples of Europe to shape their future in peace. We Germans know the special responsibility which the shared history imposes on us.

Those people abroad who felt they had to criticize the reaction of the German public -- and now I am not speaking about

the Government -- should remember that this history is perhaps the reason why the Germans are deeply moved by what is happening in Poland and that their bitterness and indignation is perhaps expressed differently than might be appropriate elsewhere. Their indignation, bitterness and concern are undoubtedly of no lesser magnitude than elsewhere in Europe and the world.

Our citizens' spontaneous readiness to help is indeed impressive. Over 2,000,000 parcels -- in other words over 2,000,000 spontaneous decisions by individual people to help -- this is a clear demonstration which says more about the concern at events in Poland and sympathy for the Polish people than many a strong word.

The will to help the Polish people as well as firmness and levelheadedness have also marked the policy pursued by the Federal Government since Dec. 13. Our demands are quite clear: the lifting of martial law, release of the detainees, and resumption of a genuine dialogue by the Polish leadership with the Catholic Church and the Solidarity trade union.

These demands are not tantamount to interference in the internal affairs of Poland. They are based on the Helsinki Final Act. Every signatory state is entitled to admonish another signatory to observe the commitments contained in it. To us, the fulfilment of the three demands would be proof of the Polish leadership's serious will to return to the course of reform and renewal.

The Polish leadership has publicly expressed this will not only to its own people. It has also professed it on various occasions to the Federal Republic of Germany and our allies and partners. It is not us who, by invoking these declarations, are interfering in Poland's affairs, it is those who seek to prevent from outside the course of renewal and reform in Poland who are interfering in Poland's affairs.

In its policy the Federal Government has not confined itself to statements. It has also sought to bring influence to bear by means of direct talks and contacts. We have not disrupted the dialogue with the Polish leadership. We have sought

the possibility of taking the military council at its word when it pledged a return to the course of reform.

This was the purpose of my talks with Deputy Prime Minister Rakowski and of the letter sent by the Federal Chancellor to General Jaruzelski.

The decision of the Foreign Ministers of the European Community of Jan. 4, the joint statement of the Federal Chancellor and the American President of Jan. 5, and the results of the Ministerial session of the North Atlantic Council of Jan. 11 have demonstrated the West's capacity for joint action and unity.

The demands for the lifting of martial law, the release of detainees and the resumption of the dialogue were included in our initiative in the EEC and Nato declarations and were reaffirmed by the Federal Chancellor and the American President.

At the ministerial session of the North Atlantic Council, the joint Western policy was developed further into a clear political strategy. And I would like to see the members of the Opposition, who will speak later on, stating whether they intend to support and pursue together with the Federal Government this joint political strategy of the Western Alliance arrived at after a joint analysis.

We must learn that debates in the Bundestag should not only serve to reaffirm everybody's own position, which is known anyway, but also -- if they are to merit the quality and title of "debate" -- evolve in a direction where, I hope, we can jointly state: all the parliamentary groups in the Bundestag support the goal jointly set by the Federal Government and all its partners in the Western Alliance.

This joint strategy which we want to discuss today is designed to help reopen the course of renewal and reform with the means at our disposal. The Nato declaration could acquire considerable importance because a reaffirmation of it by all the parliamentary groups in the Bundestag would show once more that we concur in the goals. The same holds true for the decisions and proposals of the alliance in the economic sector. Here it must be made quite clear that it is essential not only, as you,

Herr Lenz, rightly stated in your draft resolution, to continue the humanitarian aid -- in fact it must also be stepped up.

The Federal Government yesterday adopted a positive position, also with regard to the elimination of postal charges, so as to provide an additional impulse. It is also essential to make it clear that, in addition to humanitarian aid, public food aid, which is not contained in your draft resolution, must be continued because we do not want the Polish people to have to suffer from a policy pursued by their Government against their will.

In its decision, the Alliance expressly mentions not only humanitarian aid but also -- as a special point -- public food aid. It is very important that all the assistance should actually reach those for whom it is intended -- the population of the Polish People's Republic.

As far as the decisions of the U.S. Administration are concerned, the Federal Chancellor has already stated that we regard them as a clear political signal vis-a-vis the Soviet Union. I consider it important that, when speaking about economic and financial measures -- and here the Alliance made it very clear what we expect in Poland and from the Soviet Union -- we also make it very clear that we are ready to do our utmost to assist Poland financially once it returns to the course of reform and renewal.

Our operative and political strategy must involve not only saying "no" but also opening up positive perspectives. We can but hope that the military leadership in Poland will soon realize that it is in the interest of its own people to accept this offer of the West.

Everyone must realize that a continuation of the conditions in Poland can lead to a dangerous situation resulting from the increasing repercussions on the overall network of our relations with the Soviet Union and all other eastern states.

Particularly for this reason, too, we view with especial concern the continuing pressure exerted by the Soviet Union on the development in Poland.

Together with its allies, the Federal Government will continue its policy aimed at exerting a favourable influence on the situation in Poland. When the Madrid CSCE negotiations resume, the subject of Poland will be at the top of the agenda. All of us have a commitment to the Final Act of Helsinki. That should not be underestimated in Warsaw and in Moscow.

The continued oppression of the Polish people is a severe setback for confidence-building between East and West. Thus the Soviet Union bears a heavy burden of responsibility for what is happening in Poland. It is hindering the efforts towards development and reform that correspond to the legitimate aspirations of the people there. My colleague, Herr Ehmke, quite rightly pointed out this inability to accept renewal, since this matter goes beyond the interests of the people directly affected. This inability to respond to efforts at renewal is increasingly becoming a destabilizing factor in international relations.

In the policy of the Federal Government, the awareness of the Soviet Union's responsibility was also voiced in the Federal Chancellor's letter to General-Secretary Brezhnev. It has often been asserted -- here, too -- that the Chancellor did not want to recognize the responsibility borne by the Soviet Union. With all due respect for what others have said: I would have been pleased if the Chancellor had not been the only one in the European Community in December 1981 to address himself not only to Mr. Jaruzelski, but also to Mr. Brezhnev in the matter of Poland, and he did not do that because Mr. Brezhnev had nothing to do with the matter, but because Mr. Brezhnev's responsibility was the subject of his letter.

There is no doubt that the events in Poland are revealing the failure of the Communist system. For this reason, they are of fundamental significance. The inability of that system to adjust to new developments is becoming only too clear. These new developments are equally obvious. They are reflected in the strong will of people to maintain and strengthen their own identity. In Europe, the consciousness of the European identity is in fact growing ever stronger -- regardless, incidentally, of the respective political order.

The Final Act of Helsinki points out how very differently structured systems can adjust to that. For the Final Act of Helsinki is not a vote for a particular governmental and social order. In the future, too, such decisions must be made by the peoples concerned. We have never regarded the Helsinki process as a momentary programme. Rather, we have always considered it to be a long-term process, but also a dynamic process that reveals the perspectives for the formation of national identity, European will to peace, individual rights and social progress.

It is precisely in this perspective that the Polish process of reform and renewal is to be seen. When I say that it is to be seen in this perspective, that expresses the historic dimension. When I say it is to be seen in this way, that means that it is not a thing of the past. Whatever the military leaders in Poland do now, the world will never be the same as it was before August 1980. If we see the developments in Poland in this historic perspective, then we must also be conscious of their impact on the East-West relationship. In this connection, the appeal to Warsaw and Moscow is based on the Final Act of Helsinki. This Final Act of Helsinki, the fulfilment of the act, requires no more from anyone than that to which he committed himself in 1975.

The fulfilment of the Final Act of Helsinki does not impair anyone's security interests -- on the contrary. The fulfilment of the Final Act of Helsinki could give Europe more stability and thus provide more security for all. Here, too, Herr Ehmke is correct: those who respond to the will for individual liberty by imposing repression will create more instability than those who show a willingness for reform, as hard as they may find it to do so.

Co-operation in Europe is threatened by measures such as those that were taken on Dec. 13 in Poland, and by no means by those who call for the termination of such measures. It is equally certain -- and I am addressing this to those who wanted to and did criticize the fact that we received Mr. Rakowski here -- that inaction in foreign affairs, mere protest and cutting off the channels of communication would achieve nothing at all.

That would be immobilism. Only those who are very consistent and active in supporting détente, co-operation and dialogue can have the means and instruments of helping the Polish people, however difficult and problematic that might be.

It is -- and this should also be taken very seriously in Warsaw and Moscow -- also our concern about East-West relations, détente and co-operation that leads us to call upon those responsible to recognize the dangers inherent in interrupting the process of reform and renewal and to allow that process once again to take its course.

It is in this light that our three demands and expectations for the Polish people should be seen. Our demands reflect a concern for that long-suffering people, and for stability, co-operation and détente in Europe. Everything that we are doing, and everything that we will do in the future must be evaluated solely according to the criterion of whether or not it serves that goal.

I can only repeat that those who fear a dialogue deny themselves important instruments and great opportunities. Thus the Federal Government expressly welcomes the fact that the American Secretary of State is maintaining his intention of meeting with the Soviet Foreign Minister at the end of January.

The achievement of our goals requires a great deal of solidarity in our own country, in the European Community and in the Western Alliance. We call on those responsible in Warsaw and Moscow to return to the foundation laid by the Final Act of Helsinki and to ensure that the process of co-operation between East and West is not impaired.

The Geneva negotiations on intermediate-range missiles commenced on schedule. In view of the great importance of arms control and disarmament in our highly-armed continent, we are determined, along with our partners in the Alliance, to continue our policy aimed towards concrete and effective arms control agreements. In this connection, the basis of trust could be improved by a return to the course of reform in Poland.

In the past few weeks, however, something else has also become evident. Europe can only do justice to its task of helping to maintain the peace if it remains firmly allied with the democracies of North America. Only in the alliance with the United States and Canada can the equilibrium in Europe and the world that is necessary for peace be secured.

The results of the Nato Ministerial session impressively demonstrate our unity. If I were part of the Opposition, I would not underestimate this, and I might even voice my approval. As we know, above and beyond all of its vital common interests the Alliance is first and foremost a community of shared values, a community of fate based on liberty.

The Federal Republic of Germany should never forget its responsibility for that community. It will always have an active role to play in the Alliance as regards politics, disarmament and defence. We are also aware that, as far as the East-West relationship is concerned -- Herr Ehmke put it very clearly -- a relapse into the cold war would not affect anyone more severely than us Germans here in the West, and, for that matter, the Germans in the GDR.

We would seriously violate our own interests if we were to overlook for a single minute that we can only defend our national interests by working together with our partners and allies. Or, to put it another way, our weight in the Western community also determines our weight in the East-West relationship.

Building on this foundation, the Federal Government will unswervingly continue its policy based on the statement by the European Foreign Ministers, the joint statement of the Federal Chancellor and the American President and on the strategy drawn up jointly by the Nato Foreign Ministers.

It will endeavour to make a contribution to helping the Polish people in their efforts towards renewal and reform, in order to bring relations between East and West back onto a constructive course. I repeat: at the end of his speech the Federal Chancellor certainly made an attempt to re-establish communication with you.

Now let us turn to the topic with which we are primarily concerned today, namely the question of what kind of Western policy will be able to help the Polish people in their desire for some small additional measure of freedom, reforms and social progress. Or what kind of Western policy might help to overcome the difficulties of current developments so that progress can become possible in Poland and co-operation and détente can continue in the East-West relationship.

This is the concern that we as Germans must have. This is the concern that we as Europeans must have. This is what we must strive for here. This is what we must discuss frankly.

We must recognize the importance of the fact that, in spite of all the voices of disbelief that were heard earlier, the Western Alliance arrived at a joint statement on Jan. 11 that is more than a mere manifestation of protest, but a joint statement expressing a political strategy on which we intend to act.

For this reason I appeal to the Opposition to vote in favour not only of their own motion, but also of that of the Coalition parties, which would like to give their support to this joint policy of the Western Alliance.





Foreign and Commonwealth Office

London SW1A 2AH

18 January 1982

Dear John,

Mr Greg Miskiw

/the Thank you for your letter about Mr Miskiw, following the call by the Editor of Sunday Mirror on the Prime Minister this morning. /

/ I attach essential facts on the case. The answers to the questions you raised are as follows:

- a) grounds for the appeal are being prepared by the Prosecution, which has not yet divulged them to the defence lawyer;
- b) the appeal is against the sentence. The Appeal Court can uphold it, change it or instruct the District Court to change the original sentence. Miskiw's lawyer feels that the most likely outcome is that the original sentence will be upheld;
- c) our Consular officials see Miskiw daily. (He is staying in the Grand Hotel, Warsaw). He is well, though naturally concerned;
- d) while he is able to communicate with his newspaper, mail is subject to delay; his employers have received a telex from him today;
- e) he has been released on bail without specific conditions, but is not able to leave Poland until he receives an exit visa.

It is contrary to international usage for governmental intervention to be made in judicial proceedings while cases are still sub-judice. But if Miskiw is given a further sentence, we shall be considering what (if any) action on our part would enhance his hopes of clemency.

Yours sincerely
Roderic Lyne
(R M J Lyne)
Private Secretary

A J Coles Esq
10 Downing Street

ESSENTIAL FACTS

GREG MISKIW

1. Crossed Czechoslovak/Polish border illegally on 18 December 1981 hidden in postal services coach Vienna/Warsaw train. Arrested trying to book into Victoria Hotel, Warsaw.
2. Seen by HM Consul on 28 December. Fit and well, but concerned about his position. Trial expected mid-January when Court would decide whether to proceed under martial law (with likely minimum sentence 3 years imprisonment and no appeal) or normal civil codes (with possible more lenient penalties).
3. Trial brought forward to 6 January. Embassy helped arrange English speaking defence lawyer whose initial advice to Embassy on morning of trial was that case was to be heard under martial law provisions. Court subsequently decided that civil penal code more appropriate. Miskiw pleaded guilty to charge of entering Poland illegally in breach of Section 288 of Civil Code and threw himself on mercy of Court. Defence asked for seven day postponement of sentence to enable documentary evidence to be obtained from London to support plea for clemency. Evidence sent through FCO relating plea for to application for Polish visa made through Magic of Poland Ltd (tour operators) in July which company understood approved early December.
4. Convicted on 12 January: sentence - 2 years imprisonment suspended for 2 years plus fine 70,000 Zloties and 17,000 Zloties costs. Prosecutor, who had asked for 4 years imprisonment, had 7 days in which to appeal against sentence.
5. Miskiw's released on bail on 13 January. Sunday Mirror put up £1,000 to cover legal costs and fine. Prosecution announced on 15 January appeal against sentence. Date of hearing not yet known. Meanwhile Miskiw is staying in a Warsaw hotel, but communication with family, employer and wife is restricted by break in postal and telecommunications which was introduced under martial law régime. Understand employers received a telex from him on 18 January.

SUBJECT.



file

ds

cc. Hackett set.

10 DOWNING STREET

From the Private Secretary

18 January 1982

Mr. Francis

Mr. Greg Miskiw

Mr. Bob Edwards, the Editor of the Sunday Mirror, accompanied by Mr. Victor Knight, the paper's political correspondent, called on the Prime Minister this morning to discuss the above case. They left the enclosed memorandum which sets out their understanding of the developments so far. They showed some sensitivity about the report referred to in the last paragraph from the Times' correspondent in Warsaw and I should therefore be grateful if this information could be carefully handled.

During discussion, it emerged that the facts on a number of points were anything but clear. I have since asked you by telephone to try to establish from the Embassy in Warsaw:

- a) The date of the appeal.
- b) The nature of the appeal.
- c) When Mr. Miskiw was last seen by the Embassy and whether further Consular access could be arranged now.
- d) Whether he is able to communicate with his newspaper (they have sent him a telex but, perhaps not surprisingly, have received no reply).
- e) The conditions on which he was granted bail.

Mr. Edwards suggested that the Polish martial law regime would be responsive to indications that there was high level concern in the United Kingdom about this case. He asked whether the Prime Minister would be willing to intervene with General Jaruzelski. The Prime Minister replied to the effect that we would naturally do everything possible to help but we must consider carefully what steps were likely to do so.

In the light of the answers to the above questions (and I hope these might be available by early evening today), I should be grateful for further advice on what HMG can usefully do in this matter. The Prime Minister has asked for such a report.

Francis Richards, Esq.,
Foreign and Commonwealth Office.

Mirror Group Newspapers memo

Date 16th January 1982
From P. J. Wilson
Room
Extension
Department

To Mr. Robert Edwards

RE : GREG MISKIW

Greg Miskiw is aged 32. Divorced. Born Leeds and is British citizen. Parents, both Ukranian, came to UK after the war. They live in Leeds, are devout Roman Catholics and have great love for Britain. They are deeply concerned but cling to faith that the Foreign Office will somehow obtain Miskiw's release. Miskiw joined us two years ago from the London Evening News.

The timetable of events so far is as follows :

December 17th 1981. Miskiw left by air for Vienna. His brief : to try to enter Poland on the Chopin Express. Told to get a transit visa if possible but not to take foolish risks.

(He had applied, as a journalist, in the summer for a visa to cover a Magic of Poland tour. Told by the London organisers that Warsaw had granted authorisation, but when he went to collect it in December was told by Polish officials that it was void. Polish Embassy now deny giving the authorisation.)

December 19th 1981. Miskiw had been briefed to contact office on December 18th. In the early afternoon News Editor phoned Foreign Office telling them Miskiw had failed to make contact and asked them to inquire if Warsaw Embassy had any information. At approximately 8pm News Desk received a call from an ITN journalist saying Miskiw had been detained by Police at the Hotel Victoria, Warsaw.

December 22nd 1981. Received call from F.O. News Department that Greg had been detained for illegally crossing the border at Zebazydowice but not formally charged.

December 24th 1981. News Editor wrote to Polish Ambassador apologising if Miskiw had inadvertently broken laws and requested help in securing his release. Sir Keith Joseph, family's MP, began inquiring into case.

cont/...

December 27th 1981. Polish Embassy confirm News Editor's letter relayed to Warsaw. F.O. report Consular access had taken place.

December 28th 1981. F.O. report Miskiw had admitted guilt and was due to appear in court around mid-January.

December 30th 1981. News Editor met Polish Embassy official Mr. Janusz Luks, the official assigned to deal with British Press, who is told again that Miskiw is a bona fide British journalist and that his urgent release is requested.

December 31st 1981. Deputy Editor Nick Lloyd and Political Editor Victor Knight meet Lord Trefgarne, F.O. Under secretary.

January 5th 1982. Editor Mr. Robert Edwards wrote his own appeal to the Polish Ambassador. Letter regrets any breach of Polish laws and asks for assistance in securing Miskiw's early return. Later F.O. call to say trial brought forward and Miskiw to appear in court the next day.

January 6th 1982. Miskiw appears in court in Warsaw under martial law regulations. Pleads guilty and throws himself on mercy of court. Charged with illegally crossing the border contrary to Article 288 of the Polish Civil Code. Court adjourns to January 12th.

January 7th 1982. British Embassy in Warsaw requests Sunday Mirror to obtain statement from Magic of Poland travel agency confirming Miskiw had received calls advising visa had been granted. This statement obtained from head of firm Vic Allen and taken, as requested, to Polish Embassy in London to be witnessed. (However, before Embassy will witness statement Mr. Allen required to insert sentence saying he could have been mistaken about the call).

January 10th 1982. Sunday Mirror and other Sunday papers carry stories saying Miskiw faces trial.

January 11th 1982. Woman from Magic of Poland tours contacts us to say she had personally taken call from a Mr. Slomka at the Polish Embassy saying that visa authorisation had been given.

January 12th 1982. Miskiw in court at adjourned hearing. Embassy represented. Found guilty and sentenced to two years jail suspended plus a fine of 70,000 zlotys and 17,000 zlotys costs. Mirror Group Newspapers agrees to F.O. request to deposit a cheque for £1,000 with them.

January 13th 1982. Miskiw released "on bail" and moves to Grand Hotel, Warsaw. F.O. report he must stay seven days to allow any possible appeal by the prosecution. Cheque deposited with the F.O.

cont/...

January 15th 1982. F.O. Consular department tell us prosecution will appeal. Miskiw's lawyer cannot give indication of when hearing will be. F.O. report they will explore possibility of authorities allowing Miskiw to return to Britain prior to the hearing. Confirm to News Editor report that Miskiw is believed to have entered Poland in a mail wagon on the train. Times Foreign desk report that their man in Warsaw, Roger Boyes, has seen Miskiw in Warsaw and feels he is "close to nervous breakdown". Boyes fears prosecution will seek military hearing and a three year jail penalty. Believes hearing will take place next Tuesday January 19th.

P. Wilson

B.R.
PRIME MINISTER

Poland

The answer to your question (below) is that most of the contracts for the pipeline have been awarded but not all. For the outstanding contracts, firms may thus be able to tender in such a way as to take account of US restrictions (though that will depend on future decisions about not undermining US measures).

May I now write to the Foreign and Commonwealth Office on the lines proposed?

Yes

A.J.C. $\frac{45}{1}$

18 January, 1982

①
Therbyon
10 DOWNING STREET

mt

Prime Minister

Mr. Greg Miskin

1. I told Mr. Edwards all the attached this evening. He was most grateful.

2. Mr. Miskin told his girl-friend today by telex that the Embassy were being most helpful and that his lawyer was reasonably confident that the appeal would not result in a harsher sentence.

3. As you will see from the attached, the date of the appeal is not known, nor the grounds. He was tried under the civil penal code and there is no evidence that he will be retried under martial law regulations.

4. I agreed with Mr. Edwards that the best hope was that the appeal would be heard quickly and that it would merely confirm the original sentence. We must do nothing to upset that prospect but would follow the case daily and stay in touch.

A. S. C. T.

PRIME MINISTER

cc Mr Ingham
Mr Gow

Day of Solidarity with the Polish People

The attached papers describe this American idea. Paragraph 2: Do you agree to record a message to be broadcast on the American networks on 30 January? (If so we will draft a message and make arrangements for its recording later). Mr. Ingham sees no objection.

Sir Bernard Braine has been in touch with Ian Gow. If called at Question Time tomorrow, he has it in mind to ask whether HMG will declare a similar day of solidarity with the Polish people on 30 January. You will note from the attached FCO letter that the Americans see this as a non-partisan, non-governmental effort. I am sure that if anything effective is to be arranged here it will have to be on a non-governmental basis. If Sir Bernard Braine raises this at Questions you could say "I am sympathetic to the idea. I understand that in the United States non-governmental organisations are taking the lead. This seems the best approach here too."

A.S.C.

Agree - but its efficacy
will depend on its non-governmental
character. Agree brief
message not.

18 January 1982

FIVE

R M

PRIME MINISTER

Poland

The answer to your question (below) is that most of the contracts for the pipeline have been awarded but not all. For the outstanding contracts, firms may thus be able to tender in such a way as to take account of US restrictions (though that will depend on future decisions about not undermining US measures).

May I now write to the Foreign and Commonwealth Office on the lines proposed?

A. J. COLES

18 January, 1982

PERSONAL AND CONFIDENTIAL



Foreign and Commonwealth Office

London SW1A 2AH

18 January 1982

Poland
Don John

f.a.
ML $\frac{15}{1}$

Poland: Contacts with
Independent Experts

I mentioned to you some recent contacts which the Planning Staff had had with outside experts. You may wish to glance for your own information at this brief summary, which has been submitted to Lord Carrington.

Yours ever,
Bia

(B J P Fall)
Private Secretary

A J Coles Esq
10 Downing Street

PERSONAL AND CONFIDENTIAL

Secretary of State has seen
I have informed Miles for
his background.

2 copy to FR

2. BF/ Secretary of State

8/15/81

Private Secretary

PS/PUS

cc Mr. Bullard
Mr. Foy
Mr. Bicknell

POLAND : CONTACTS WITH INDEPENDENT EXPERTS

1. You may wish to have a note of some of our recent contacts.
2. In the past 18 months we have had many contacts with outside experts. In October 1981, we sent a draft planning paper about policy towards Eastern Europe to 12 experts including Professor Peter Wiles and Mr Philip Windsor at LSE, Professor Alec Nove at Glasgow University and Professor W Brus of Oxford (a Polish emigré). We then brought these experts together for a one-day seminar to discuss the paper. Among the points in the paper were:
 - (a) The Polish Renewal was fundamentally unacceptable to the Soviet Union.
 - (b) If it lasted, the endemic tendencies towards change and self-expression in Eastern Europe would be encouraged.
 - (c) Soviet military intervention remained possible. A clamp-down by the Polish leadership, for instance in the form of martial law, was also possible. But it might lead to a break-down in public order and thus to Soviet intervention; or, alternatively, a limited clamp-down might leave some of the reforms in place.

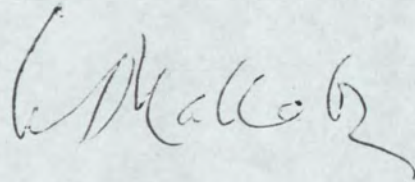
The outside experts agreed with the analysis and views about policy in the paper, including the point at (c) about intervention and clamp-down. The main point which aroused controversy was an implication in the paper that economic decentralisation in Eastern Europe was likely to encourage aspirations for political change.

3. At about the same time, we also consulted Professor Leonard Shapiro of LSE, Professor Richard Portes of London University and Mr Michael Kaser of Oxford. They too did not seem to dissent from our general views. Professor Portes argued for a special scheme to provide aid to Poland in order to increase the Renewal's chances of enduring.
4. Since the clamp-down in Poland, I have had meetings on 7 and 8 January with Professor Shapiro and Mr Brian Crozier (among others). Neither of them thought that military rule, such as has been introduced in Poland, was a new tactic which the Soviet Union might apply in other cases. Nor was a military takeover a prospect in the Soviet Union itself. Mr Crozier pointed out, rightly, that Jaruzelski has a long history of

/Party

- 2 -

Party as well as military activity. Messrs Shapiro and Crozier agreed that the Soviet Union and Jaruzelski must jointly have planned the clamp-down and that the Soviet Union was clearly co-responsible. Indeed, Mr Crozier was inclined to see the Soviet Union as having played by far the more important role in the clamp-down. Professor Shapiro agreed with our expectation that martial law would be lifted in due course in Poland and authority returned to a purged Party leadership. The vestiges of reform that might then remain would probably be minimal. Messrs Shapiro and Crozier were both enthusiastic about President Reagan's reactions to the Polish crisis and critical of the early reactions of the Europeans. They agreed that transatlantic differences about Poland seemed to have been reduced by the meeting of the Foreign Ministers of the Ten on 4 January. They hoped that the NATO Foreign Ministers meeting on 11 January would agree on a united response and some concrete measures.



12 January 1982

C L G Mallaby
Planning Staff

The Secretary of State asked about this. I think he will wish to see Mr. Maloney's minutes.

Michael Parsons
13/1

GR 550

CONFIDENTIAL

DESKBY 180800Z

MR. ALEXANDER, 10, DOWNING STREET.

FM UKREP BRUSSELS 161150Z JAN 82

TO IMMEDIATE BONN

TELEGRAM NUMBER 02 OF 16 JANUARY 1982

INFO PRIORITY FCO

INFO ROUTINE COPENHAGEN THE HAGUE ROME DUBLIN PARIS

LUXEMBOURG ATHENS WARSAW

INFO SAVING BRUSSELS WASHINGTON MOSCOW

FOOD FOR POLAND

1. DURING THE INFORMAL FOREIGN MINISTERS MEETING IN BRUSSELS ON 14/15 JANUARY, THE SECRETARY OF STATE HAD A BRIEF DISCUSSION OF FOOD FOR POLAND WITH GENSCHER. HE SUBSEQUENTLY DECIDED THAT HE NEEDED TO SEND A MESSAGE TO GENSCHER, WHO HAD AMONGST OTHER THINGS ARGUED THAT TO CEASE THE COMMUNITY'S 15 PER CENT SUBSIDY ON THE SALE OF FOOD TO POLAND WOULD PUNISH THE POLISH PEOPLE RATHER THAN AFFECT THE MILITARY AUTHORITIES.

2. IT PROVED IMPOSSIBLE TO DELIVER THE MESSAGE TO GENSCHER BEFORE HE LEFT BRUSSELS LAST NIGHT. GRATEFUL IF YOU COULD THEREFORE DELIVER THE FOLLOWING TEXT ON MONDAY MORNING (SIGNED COPY FOLLOWS BY BAG).

BEGINS

DEAR HANS DIGTRICH

FOLLOWING OUR DISCUSSION LAST NIGHT ON COMMUNITY SUPPLIES OF FOOD TO POLAND, I THOUGHT IT MIGHT BE HELPFUL IF I WERE TO SET OUT MY APPROACH TO THIS IN A LITTLE MORE DETAIL.

FIRST, I AM ENTIRELY AT ONE WITH YOU THAT WE MUST TRY TO ENSURE THAT SOME COMMUNITY ASSISTANCE WITH FOOD GETS THROUGH TO THOSE POLES WHO NEED IT MOST. THE QUESTION IS, WHAT MEANS OF ACHIEVING THIS END ARE THE BEST TO APPLY IN THE PRESENT CIRCUMSTANCES? IT SEEMS TO ME THAT, IF WE CONTINUE SIMPLY TO SIGN CONTRACTS FOR SUCH SUPPLIES WITH THE POLISH STATE IMPORT AGENCIES, HOWEVER DETAILED THE ASSURANCES WE SEEK AND RECEIVE AT THE TIME, WE HAVE NO EFFECTIVE CONTROL OVER THEIR DESTINATION NOR ANY WAY OF ENSURING THAT THE POLISH PEOPLE KNOW THAT THIS MAJOR HUMANITARIAN EFFORT IS BEING MADE BY THE COMMUNITY. FOR ALL WE KNOW THE SUPPLIES WILL GO, IF NOT TO THE ARMY ITSELF, THEN TO THOSE WHOM THE REGIME WISH TO FAVOUR; AND THEY MAY BE REPRESENTED TO THE POLES WHO RECEIVE THEM AS COMING FROM OTHER COMMUNIST COUNTRIES OR FROM WITHIN POLAND.

THE ALTERNATIVE SEEMS TO ME TO TRY TO DEVELOP FURTHER THE OPERATION OF NON-GOVERNMENTAL CHARITABLE ORGANISATIONS SUCH AS THE RED CROSS, THROUGHWHICH SOME COMMUNITY HUMANITARIAN AID IN

FOOD PRODUCTS (EG MILK POWDER) IS ALREADY GOING. THE POLISH REGIME IS PERMITTING THE OPERATIONS OF THESE ORGANISATIONS: FOOD DISTRIBUTED IN THIS WAY IS GETTING TO POLES WHO REALLY NEED IT (FAMILIES OF DETAINEES AND SO ON): AND ITS ORIGIN IS CLEAR AND KNOWN. AN ADDITIONAL ADVANTAGE OF THIS SORT OF OPERATION IS THAT IT UNDERLINES TO POLES THEMSELVES THE EXTENT TO WHICH THE REGIME AND ITS FRIENDS ARE UNABLE TO SUPPLY THE BASIC NEEDS OF THEIR OWN PEOPLE.

I MYSELF STRONGLY FAVOUR THIS SECOND APPROACH WHICH HAS THE ADDITIONAL ATTRACTION OF BEING VERY SIMILAR TO THE WAY THE AMERICANS ARE NOW PROCEEDING. I THINK IT WOULD BE HARD TO JUSTIFY IN THE PRESENT CIRCUMSTANCES THE SIMPLE CONTINUATION OF COMMUNITY SUPPLIES OF SPECIAL SUBSIDISED FOOD ON THE PATTERN USED LAST YEAR WHEN ONE OF OUR OBJECTIVES WAS TO ENCOURAGE AND UNDERPIN THE POLISH RENEWAL. IT IS NOT ONLY OUR OWN PEOPLE AND PARLIAMENTS WHO ARE LIKELY TO FIND THIS HARD TO UNDERSTAND. HOW ARE WE TO GO ON RESISTING THE PRESSURE OF OTHER THIRD COUNTRIES OR OUR ACP PARTNERS, WHO ARE ALREADY URGING US TO MAKE SIMILAR SALES TO THEM? SO, INSTEAD OF GOING AHEAD NOW WITH WHAT IS CALLED TRANCHE 3(B), I SUGGEST WE SHOULD EXPLORE URGENTLY MAKING MORE SUBSTANTIAL SUPPLIES OF FOOD AVAILABLE THROUGH VOLUNTARY AND CHURCH ORGANISATIONS.

NATURALLY THE FINANCING OF SUCH SUPPLIES WOULD NEED TO BE CONSIDERED. ONE POSSIBILITY WOULD BE TO USE THE 35M ECU IN THE 1982 FEOGA BUDGET INTENDED FOR FINANCING TRANCHE 3(B). I UNDERSTAND THAT AT FRIDAY'S INFORMAL COUNCIL WORKING GROUP MEETING THE COMMISSION SERVICES MADE A PROPOSAL ALONG THESE LINES WHICH THEY INTEND RECOMMENDING TO THE COMMISSION, AND THAT IT RECIEVED A FAVOURABLE RESPONSE FROM A NUMBER OF DELEGATIONS.

CARRINGTON

ENDS.

FCO ADVANCE TO:
FCO - LAMBERT ECD(E)

FCO PASS SAVING TO WASHINGTON MOSCOW

BUTLER [ADVANCED AND REPEATED AS REQUESTED]

LIMITED
EESD
ECD(E)
CSCE UNIT
NAD
SED
WED
ESID
TRED
PLANNING STAFF
ERD
FUSD

NEWS D
PS
PS/LPS
PS/LORD TREFGARNE
PS/PUS
MR BULLARD
LORD BRIDGES
MR FERGUSSON
MR EVANS
MR HANNAY
MR HAYES

ADDITIONAL DISTRIBUTION
EASTERN EUROPEAN ECONOMIC

CONFIDENTIAL

FM BONN 151230Z JAN 82

TO ROUTINE FCO

MR. ALEXANDER, 10. DOWNING STREET.

TELEGRAM NUMBER 29 OF 15 JANUARY

INFO ROUTINE PARIS WARSAW WASHINGTON MOSCOW UKREP BRUSSELS

POLAND: DEBTS TO GERMAN BANKS

1. FIRST SECRETARY ECONOMIC HAD A NUMBER OF CONVERSATIONS WITH GERMAN BANKERS IN FRANKFURT ON 13 JANUARY. THE PREVAILING MOOD IS ONE OF VERY CONSIDERABLE GLOOM AND ANXIETY. TOTAL GERMAN BANKING ASSETS IN POLAND ARE RECKONED AT ABOUT DOLLARS 4.5 BILLION THOUGH THE PICTURE IS SOMEWHAT OBSCURED BECAUSE OF THE FACT THAT MUCH OF THE LENDING HAS BEEN DONE VIA SUBSIDIARIES IN LUXEMBOURG. THE LARGER BANKS ARE THOUGHT TO BE ABLE TO COPE WITH LOSSES (SOME HAVE SET UP RESERVE FUNDS FOR THIS PURPOSE) BUT THERE IS CONSIDERABLE CONCERN THAT SOME OF THE SMALLER BANKS MAY NOT BE ABLE TO PULL THROUGH AND THUS THAT THE RISK OF THE POLES BEING DECLARED IN DEFAULT IS A STEP NEARER. THE PROSPECT OF THE KNOCK-ON EFFECT AND THE IMPACT ON CONFIDENCE ARE RECEIVED WITH DISMAY.
2. SLOANE WAS TOLD THAT DURING FRIEDRICH'S DISCUSSIONS IN WARSAW (WARSAW TELNO 98) THE POLES HAD MADE A NUMBER OF IMPOSSIBLE REQUESTS IE POSTPONING ALL PAYMENTS FOR SIX MONTHS AND DEMANDING A NEW RESCHEDULING AGREEMENT. THE GERMANS INSISTED THAT NO NEW DEAL COULD BE STRUCK UNTIL EXISTING COMMITMENTS WERE HONOURED. THE POLES GAVE THE IMPRESSION OF FAILING TO UNDERSTAND THE SIGNIFICANCE OF A DEFAULT AND IN GENERAL TO BE OUT OF TOUCH WITH WESTERN REALITIES. IN RESPONSE TO THE GERMAN PROPOSALS THAT THEY SHOULD GIVE PROMISORY NOTES GUARANTEED FOR COMECON BANKS OR THE MOSCOW STATE BANK, THE POLES SAID THAT THE RUSSIANS AND OTHER EASTERN PARTNERS HAD ALREADY BEEN VERY GENEROUS AND THEY COULD NOT APPROACH THEM AGAIN.
3. AS REGARDS THE DOLLARS 288 MILLION OUTSTANDING IN RESPECT OF 1981, THERE IS SOME HOPE IN FRANKFURT THAT THE POLES CAN FIND ANOTHER DOLLARS 60 - 70 MILLION BUT CONSIDERABLE DOUBT THAT THEY WILL BE ABLE TO GO BEYOND THAT AND FURTHER DOUBT ABOUT THE USSR'S ABILITY TO BAIL THE POLES OUT. THE RUSSIANS THEMSELVES NEEDED SUBSTANTIAL FOREIGN EXCHANGE FOR GRAIN IMPORTS AND BOTH IN THE GOLD AND EURODOLLAR MARKETS MIGHT FACE FALLING PRICES.
4. ACCORDING TO GERMAN LAW THE BANKERS HERE DO NOT NEED TO CLOSE THEIR BOOKS UNTIL THEY ARE AUDITED. AUDITING DATES VARY FROM BANK TO BANK AROUND FEBRUARY AND MARCH. SO THERE IS STILL SOME TIME.
- TAYLOR

[THIS TELEGRAM WAS NOT ADVANCED]

LIMITED

EESD
 ECD(E)
 CSCE UNIT
 NAD
 SED
 WED
 ESID
 TRED
 PLANNING STAFF
 ERD
 PUSD
 DEFENCE D

NEWS D
 PS
 PS/LPS
 PS/LORD TREFGARNE
 PS/PUS
 MR BULLARD
 LORD BRIDGES
 MR FERGUSSON
 MR EVANS
 MR HANNAY
 MR HAYES

ADDITIONAL DISTRIBUTION

EASTERN EUROPEAN ECONOMIC

CONFIDENTIAL

CONFIDENTIAL

CONFIDENTIAL

FM F.C.O. 151831Z JAN 82

TO IMMEDIATE WASHINGTON

TELEGRAM NUMBER 50 OF 15 JANUARY

INFO PRIORITY MOSCOW, PARIS, BONN, BELGRADE, BUCHAREST, BUDAPEST, PRAGUE, SOFIA, EAST BERLIN, ROME, THE HAGUE, LUXEMBOURG, BRUSSELS, COPENHAGEN, ATHENS, DUBLIN, ANKARA, LISBON, OSLO, OTTAWA, REYKJAVIK, UKDEL NATO, STOCKHOLM, HELSINKI, VIENNA, BERNE, MADRID, CANBERRA, WELLINGTON, PEKING, TOKHO, NEW DELHI, ISLAMABAD, TEL AVIV, CAIRO, PRETORIA, BUENOS AIRES, MEXICO CITY, STRASBOURG, UKDEL MADRID, UKMIS NEW YORK, UKMIS GENEVA, KATHMANDU.

POLAND

1. THIS TELEGRAM UPDATES FCO TELNO 1974 TO WASHINGTON AND CAN BE DRAWN ON FREELY EXCEPT WHERE INDICATED.

INTERNAL SITUATION

2. THE SITUATION INSIDE POLAND HAS STABILISED. THE AUTHORITIES HAVE SUCCEEDED IN ESTABLISHING TIGHT CONTROL THROUGHOUT THE COUNTRY. ACTIVE RESISTANCE HAS CEASED, ALTHOUGH PASSIVE RESISTANCE MAY CONTINUE AND IS MOST LIKELY TO BE SEEN IN SHIPYARDS, COAL MINES AND LARGE INDUSTRIAL ENTERPRISES. THE AUTHORITIES HAVE ANNOUNCED SOME MINOR RELAXATION OF THE MARTIAL LAW PROVISIONS (SOME TRAVEL IS PERMITTED, SOME TELEPHONES RECONNECTED, FOREIGN JOURNALISTS ARE AGAIN ALLOWED TO FILE) BUT THESE ARE LARGELY COSMETIC ADJUSTMENTS.

3. ALTHOUGH MANY OF THOSE DETAINED WHEN MARTIAL LAW WAS FIRST IMPOSED HAVE NOW BEEN RELEASED, THE AUTHORITIES ADMIT THAT THERE ARE STILL OVER 5,000 PEOPLE IN DETENTION (THE REAL FIGURE MAY WELL BE HIGHER). TRIALS HAVE BEGUN OF SOLIDARITY ACTIVISTS ARRESTED FOR CONTRAVENING MARTIAL LAW (EG ORGANISING STRIKES OR SIT INS OR DISTRIBUTING LEAFLETS). IT IS IMPOSSIBLE TO SAY HOW MANY PEOPLE WERE KILLED IN CLASHES WITH THE SECURITY FORCES WHEN MARTIAL LAW WAS IMPOSED, BUT THE NUMBER MAY WELL BE HIGHER THAN THE OFFICIALLY ADMITTED FIGURE OF NINE DEAD.

SOLIDARITY

4. SOME SOLIDARITY LEADERS ELUDED THE AUTHORITIES AND REMAIN AT LARGE. THE MOST PROMINENT OF THESE IS BUJAK, THE RADICAL LEADER OF SOLIDARITY'S WARSAW REGION. SOLIDARITY HAS PRODUCED A NUMBER OF UNDERGROUND BULLETINS WHICH HAVE INCLUDED MESSAGES FROM BUJAK THAT SOLIDARITY CONTINUES TO FUNCTION. WALESA REMAINS UNDER RESTRAINT AND IS APPARENTLY REFUSING TO COOPERATE WITH THE AUTHORITIES, ALTHOUGH THERE ARE PRESISTENT RUMOURS THAT THEY ARE CONTINUING TO TRY TO ENGAGE HIM IN SOME FORM OF DIALOGUE. FOREIGN JOURNALISTS VISITING POZNAN UNDER OFFICIAL AUSPICES ON 14 JANUARY NOTED BADGES AND OTHER EVIDENCE THAT SOLIDARITY STILL COMMANDS MUCH SUPPORT AMONG ORDINARY WORKERS.

CONFIDENTIAL

/ THE ECONOMY

THE ECONOMY

5. THE AUTHORITIES ARE CLAIMING THAT WORK IN THE MINES, SHIPYARDS AND ENTERPRISES IS FAST RETURNING TO NORMAL. THIS CLAIM SHOULD BE TREATED WITH CONSIDERABLE CAUTION: HERE TOO THE EVIDENCE FROM POZNAN WAS TO THE CONTRARY. IT WILL NOT BE EASY TO MAKE PEOPLE WORK EFFECTIVELY AT GUNPOINT: AND POLISH INDUSTRY IS CRIPPLED BY SHORTAGE OF RAW MATERIALS AND SPARE PARTS AND BY THE RESTRICTIONS ON TELECOMMUNICATIONS. THE REINTRODUCTION OF SATURDAY WORKING MAY HOWEVER HELP TO INCREASE PRODUCTION. E.G. OF COAL.

6. PRELIMINARY POLISH ESTIMATES FOR 1981 CONFIRM THE DOWNWARD SPIRAL OF THE ECONOMY LAST YEAR. NATIONAL INCOME FELL BY 15 PERCENT AND INDUSTRIAL OUTPUT IN THE STATE SECTOR BY 13 PERCENT. EXPORTS WERE DOWN 14 PERCENT, LARGELY BECAUSE OF SHORTFALLS IN HARD COAL PRODUCTION. (PRELIMINARY POLISH ESTIMATES PUT OUTPUT IN 1981 AT 163 MT, 30 MT LOWER THAN 1980). IN AN ATTEMPT TO CURB DEMAND THE AUTHORITIES HAVE PROPOSED SUBSTANTIAL RETAIL PRICE INCREASES (IN SOME CASES MORE THAN 3 FOLD) FOR BASIC FOOD STUFFS, FUEL AND POWER. THESE INCREASES, WHICH ARE TECHNICALLY OPEN FOR DEBATE THIS MONTH (BUT WHICH IS UNLIKELY TO MEAN MUCH IN THE PRESENT SITUATION) WILL PROBABLY ADD TO EXISTING HARDSHIP AND TO POPULAR RESENTMENT.

THE PARTY

7. ECLIPSED BY THE MILITARY TAKE OVER, THE PARTY IS NOW BEING PURGED AND REBUILT. THE OUTCOME OF THIS PROCESS IS LIKELY TO BE A PARTY WHICH IS SMALLER AND MORE ORTHODOX. BUT THERE ARE RUMOURS THAT IF THE AUTHORITIES DECIDE THAT THIS PROCESS IS NOT WORKING SATISFACTORILY, THEY WILL DISBAND THE PRESENT PARTY ALTOGETHER AND BUILD AN ENTIRELY NEW ONE. IT IS NOT CLEAR HOW AND WHEN JARUZELSKI INTENDS TO RETURN POWER TO THE PRESENT PARTY OR ANY SUCCESSOR. BUT HE IS LIKELY TO COME UNDER INCREASING PRESSURE FROM MOSCOW TO DO SO SINCE THE PRESENT MILITARY GOVERNMENT IS HIGHLY UNORTHODOX IN IDEOLOGICAL TERMS.

THE CHURCH

8. THE INITIAL REACTION OF THE POLISH PRIMATE, ARCHBISHOP GLEMP, TO THE CLAMPDOWN WAS TO COUNSEL MODERATION IN AN ATTEMPT TO AVOID BLOODSHED. BUT THIS LINE ATTRACTED CONSIDERABLE CRITICISM WITHIN THE CHURCH AS WEAK AND UNCONVINCING, AND HE HAS SINCE COME OUT MUCH MORE STRONGLY IN CONDEMNING MARTIAL LAW AND THE REPRESSION THAT HAS FOLLOWED.

9. THE REGIME HAS BEEN ANXIOUS TO FIND SOMEONE TO TALK TO, IN ORDER TO SUGGEST THAT IT IS CONDUCTING SOME SORT OF DIALOGUE WITH SOCIETY, AND IT HAS THEREFORE BEEN TRYING TO ENMESH THE CHURCH IN NEGOTIATIONS. JARUZELSKI WILL CALCULATE THAT SUCH NEGOTIATIONS WOULD ALSO CONFER A MEASURE OF RESPECTABILITY ON HIM THAT ONLY THE CHURCH CAN OFFER. FOR ITS PART THE CHURCH HAS BEEN ACTIVE IN TRYING TO PROMOTE DISCUSSIONS BETWEEN THE AUTHORITIES AND SOLIDARITY, BUT THE PRECONDITIONS LAID DOWN BY BOTH SIDES HAVE SO FAR PROVED TOO MUCH.

THERE IS NEVERTHELESS A GOOD DEAL OF TALKING GOING ON BEHIND THE SCENES AND THE EPISCOPATE IS LIKELY TO CONTINUE TO PRESS THE REGIME TO RESUME THE DIALOGUE WITH SOLIDARITY AS THE ONLY WAY OUT OF THE CRISIS. THE PREDOMINANT FEAR OF THE CHURCH IS THAT THE SITUATION WILL DETERIORATE TO THE POINT WHERE THE RUSSIANS FEEL BOUND TO INTERVENE, WITH SHARPLY ADVERSE CONSEQUENCES FOR THE CHURCHS PRESENT INFLUENTIAL POSITION.

THE UK REACTION

10. MINISTRS HAVE CONDEMNED WHAT IS HAPPENING IN POLAND AND HAVE MADE IT CLEAR THAT THEY LOOK TO JARUZELSKI TO LIVE UP TO HIS INITIAL PROMISES THAT MARTIAL LAW WOULD BE SHORT LIVED AND THAT THERE WOULD BE A RETURN TO THE PATH OF REFORM. YOU SHOULD DRAW ON THE LORD PRIVY SEALS SPEECH IN THE HOUSE ON 22 DECEMBER, THE PRIME MINISTERS INTERVIEW WITH THE BBC ON NEW YEARS EVE (RETRACT 21431), MY INTERVIEW WITH KATE ADIE ON 4 JANUARY (VERBATIM 002/82), AND THE INTERVIEW I GAVE ON PANORAMA ON 6 JANUARY (VERBATIM 006/82).

11. WE HAVE SO FAR TAKEN THE FOLLOWING STEPS IN RESPONSE TO DEVELOPMENTS IN POLAND:

- A. STRONG AND REPEATED CONDEMNATIONS OF THE POLISH CLAMPDOWN:
- B. INCREASED BBC BROADCASTING TO POLAND (BY FORTYFIVE MINUTES A DAY IN THE POLISH LANGUAGE SERVICE):
- C. THE SUPPLY OF 8,000 TONNES OF FREE EC BEEF TO POLAND WAS HELD UP UNTIL THE POLISH AUTHORITIES GAVE ASSURANCES THAT THOSE SUPPLIES WILL REACH THE CIVILIAN POPULATION:
- D. DECISIONS WITHIN THE COMMUNITY ON FURTHER SALES OF FOOD AT SPECIAL SUBSIDISED PRICES HAVE BEEN HELD UP, AND WE ARE EXPLORING WITHIN THE COMMUNITY THE POSSIBILITY OF CHANNELLING FOOD SUPPLIES THROUGH VOLUNTARY AGENCIES:
- E. THE COMMUNITY HAVE ALLOCATED 2 MILLION ECUS FOR HUMANITARIAN AID THROUGH VOLUNTARY AND CHURCH AGENCIES.

IN ADDITION, BUT STRICTLY FOR YOUR OWN INFORMATION, WE ARE CONSIDERING OTHER MEASURES OF WHICH THE FOLLOWING ARE ILLUSTRATIVE EXAMPLES:

- F. SUSPENSION OF OFFICIAL CREDIT (EXCEPT IN CASES WHERE A LEGALLY BINDING COMMITMENT ALREADY EXISTS):
- G. POSTPONEMENT OF NEGOTIATIONS ABOUT RESCHEDULING POLAND'S 1982 OFFICIAL DEBT:
- H. TIGHTER COCOM CONTROLS ON HIGH TECHNOLOGY EXPORTS TO POLAND:
- I. TRAVEL RESTRICTIONS ON POLISH DIPLOMATIC MISSIONS AND OTHER ORGANISATIONS.

12. AGAIN STRICTLY FOR YOU OWN INFORMATION WE ARE ALSO CONSIDERING TAKING MEASURES OF THE FOLLOWING KINDS AGAINST THE SOVIET UNION:

- A. RESTRICTING IMPORTS, TOGETHER WITH OUR EC PARTNERS, OF SOVIET MANUFACTURES:
- B. TERMINATING THE UK/USSR MARITIME AGREEMENT:
- C. REDUCING SCIENTIFIC AND TECHNICAL COOPERATION OR NOT RENEWING EXCHANGE AGREEMENTS:
- D. REVIEWING THE CONDITIONS SURROUNDING EXPORT CREDITS (SEE PARA 16 BELOW).

THE US REACTION

13. PRESIDENT REAGAN MADE MAJOR POLICY SPEECHES ON 23 AND 29 DECEMBER. IN THE FIRST HE ANNOUNCED MEASURES AGAINST THE POLISH MILITARY REGIME, AND IN THE SECOND MEASURES AGAINST THE SOVIET UNION IN PROTEST AT THE LATTER'S UNDOUBTED COMPLICITY IN THE SUPPRESSION OF THE POLISH RENEWAL. (FOR YOUR OWN INFORMATION, THE AMERICANS HAVE REVEALED TO THEIR ALLIES THAT THEY POSSESS MATERIAL SHOWING THAT THE RUSSIANS WERE CLOSELY INVOLVED IN THE PLANNING OF POLISH CLAMPDOWN. MARSHAL KULIKOV SPENT LONG PERIODS IN POLAND DURING 1981 AND WAS PRESENT IN WARSAW WHEN MARTIAL LAW WAS DECLARED. HE APPEARS TO HAVE BEEN AN IMPORTANT CHANNEL OF SOVIET PRESSURE ON THE POLISH AUTHORITIES).

14. THE AMERICANS HAVE EMPHASISED THAT THE MEASURES ANNOUNCED BY THE PRESIDENT ARE AIMED AT ACHIEVING THE COMMON WESTERN OBJECTIVE OF RE-ESTABLISHING CONDITIONS FOR RECONCILIATION AND A RESUMPTION OF THE PROCESS OF RENEWAL. THIS WOULD INVOLVE THE LIFTING OF MARTIAL LAW, THE RELEASE OF THOSE DETAINED, AND THE RESUMPTION OF A GENUINE DIALOGUE BETWEEN THE AUTHORITIES, SOLIDARITY AND THE CHURCH. (FOR YOUR OWN INFORMATION, WE WERE ONLY GIVEN A FEW HOURS' NOTICE OF THE MEASURES THE AMERICANS PROPOSED TO TAKE AGAINST THE SOVIET UNION. THIS LACK OF PRIOR CONSULTATION CAUSED DIFFICULTIES FOR US AND FOR OUR EC PARTNERS AND CONTRIBUTED TO THE IMPRESSION OF DISARRAY IN THE ALLIANCE).

THE EC REACTION

15. EFFORTS TO CONVENE A SPECIAL MEETING OF EC FOREIGN MINISTERS IN LONDON DURING THE LAST WEEK OF DECEMBER FOUNDERED ON DIFFICULTIES RAISED MAINLY BY THE FRENCH. IT WAS THEREFORE NOT UNTIL 4 JANUARY THAT SUCH A MEETING TOOK PLACE IN BRUSSELS UNDER THE BELGIAN PRESIDENCY. MINISTERS AGREED ON THE NEED TO PRESERVE WESTERN UNITY AND NOT TO UNDERMINE THE US MEASURES THAT HAD BEEN ANNOUNCED. THEY ALSO AGREED ON THE SOVIET UNION'S COMPLICITY IN AND CO-RESPONSIBILITY FOR THE IMPOSITION OF MARTIAL LAW IN POLAND. (FOR THE COMMUNIQUE ISSUED AFTER THE MEETING, SEE VERBATIM 001/82).

16. AS WELL AS DISCUSSING THE QUESTION OF FURTHER HUMANITARIAN AID INCLUDING FOOD (WHICH WE ARE ENCOURAGING), AND FURTHER SPECIALLY SUBSIDISED FOOD SALES (WHICH WE ARE OPPOSING ON THE GROUNDS THAT CHANNELLING FOOD THROUGH VOLUNTARY AGENCIES IS PREFERABLE TO ENSURE THAT IT GETS TO THE RIGHT PEOPLE), THE COMMUNITY IS ALSO CONSIDERING POSSIBLE RESTRICTIONS ON SOVIET EXPORTS AND IS WORKING OUT A COORDINATED POLICY ON NOT UNDERMINING THE US MEASURES. WE HOPE THAT DECISIONS ON THESE VARIOUS ISSUES WILL BE TAKEN AT THE 25/26 JANUARY FOREIGN AFFAIRS COUNCIL. WE SHALL ALSO BE EXPLORING WITHIN THE COMMUNITY THE POSSIBILITY OF RECLASSIFYING THE SOVIET UNION'S CREDIT RATING. THERE IS A GOOD TECHNICAL CASE FOR CLASSIFYING THE SOVIET UNION AS QUOTE RELATIVELY RICH UNQUOTE, WHICH WOULD MEAN THE MINIMA FOR OFFICIAL CREDITS WOULD BE HIGHER. THE EFFECT WOULD BE TO REDUCE CREDIT SUBSIDIES TO THE SOVIET UNION. AS THE RUSSIANS ATTACH IMPORTANCE TO CHEAP CREDITS, THE SIGNAL WOULD BE A CLEAR ONE.

17. (NOT FOR USE). WE DO NOT UNDERESTIMATE THE DIFFICULTIES INVOLVED IN AGREEING A CONCERTED ALLIED RESPONSE. NOR DO WE BELIEVE THAT THE SANCTIONS AT PRESENT BEING CONSIDERED AGAINST POLAND AND THE SOVIET UNION WILL HAVE A SIGNIFICANT EFFECT ON THE POLISH OR SOVIET ECONOMIES TO THE POINT WHERE EITHER ECONOMY WILL BE FORCED TO OPERATE AT A SIGNIFICANTLY LOWER LEVEL THAN AT PRESENT. BOTH SETS OF MEASURES ARE DIRECTED AS MUCH TOWARDS MAINTAINING ALLIANCE COHESION AS INFLUENCING POLAND OR THE SOVIET UNION. BUT WE BELIEVE THAT THEY CONSTITUTE A CLEAR AND VALUABLE WARNING TO BOTH THE POLES AND THE SOVIETS THAT FAILURE TO RETURN TO RENEWAL AND REFORM IN POLAND WOULD CARRY SEVERE POLITICAL AND ECONOMIC PENALTIES. IN PARTICULAR THE WITHDRAWAL OF WESTERN FINANCIAL SUPPORT FROM THE POLES WILL GIVE THEM A PSYCHOLOGICAL JOLT AND MAY FORCE THEM TO DECLARE A MORATORIUM ON DEBT SERVICING EVEN THOUGH THEIR ECONOMY COULD CONTINUE TO FUNCTION AT ITS PRESENT LOW LEVEL OF ACTIVITY BY TRADING ON A CASH BASIS.

THE NATO REACTION

18. THE EC MEETING ON 4 JANUARY DID MUCH TO BRING EUROPEAN AND US REACTIONS INTO LINE. IT WAS POSSIBLE TO BUILD ON THIS AT THE NATO FOREIGN MINISTERS' MEETING ON 11 JANUARY, WHEN THERE WAS A SUBSTANTIAL CLOSING OF RANKS. THE FOREIGN MINISTERS ISSUED A STRONGLY WORDED DECLARATION (VERBATIM 004/82). THIS CONDEMNS THE IMPOSITION OF MARTIAL LAW, HOLDS THE SOVIET UNION CO-RESPONSIBLE FOR DEVELOPMENTS IN POLAND, AND WARNS THE POLES AND THE RUSSIANS THAT QUOTE BUSINESS AS USUAL UNQUOTE IS IMPOSSIBLE IN THE PRESENT SITUATION. WHILE RE-AFFIRMING NATO'S COMMITMENT TO THE PURSUIT OF ARMS CONTROL, IT WARNS THE SOVIET UNION THAT IT WILL BE HELD RESPONSIBLE IF THIS PROCESS IS DAMAGED BECAUSE OF THE SOVIET UNION'S FAILURE TO LIVE UP TO ITS EXISTING OBLIGATIONS, IN PARTICULAR THOSE ENshrINED IN THE HELSINKI FINAL ACT. IN RECOGNITION OF THE RUSSIANS' SERIOUS VIOLATION OF THOSE OBLIGATIONS, ATTENDANCE BY NATO MEMBER STATES AT THE RECONVENING OF THE MADRID REVIEW MEETING ON 9 FEBRUARY WILL BE AT FOREIGN MINISTER LEVEL.

19. THE DECLARATION ALSO ANNOUNCES THAT THERE WILL BE AN EARLY FOLLOW-UP MEETING OF THE NATO COUNCIL TO CONSIDER ECONOMIC MEASURES IN PARTICULAR (SEE PARAGRAPHS 13 TO 16 OF THE DECLARATION). FOR YOUR OWN INFORMATION WE HOPE THAT IT WILL PROVE POSSIBLE TO DRAW UP A RESPECTABLE LIST OF NATIONAL MEASURES AGAINST POLAND AND THE SOVIET UNION. UK MEASURES WILL BE ANNOUNCED IN CONCERT WITH THOSE OF OUR ALLIES. THE MOST LIKELY TIMING FOR THIS IS DURING THE FORTNIGHT BEGINNING 25 JANUARY.

20. IN SPEAKING TO YOUR CONTACTS, YOU SHOULD STRESS THAT THE NATO DECLARATION ILLUSTRATES THE UNITY AND DETERMINATION OF THE ALLIANCE. MARTIAL LAW IN POLAND IS A BREACH OF THE COMMITMENTS ENTERED INTO BY POLAND AND THE SOVIET UNION IN THE FINAL ACT OF THE CSCE AT HELSINKI IN 1975. (THIS IS THE ANSWER TO CHARGES OF NATO INTERFERENCE AND DOUBLE STANDARDS COMPARED WITH E.G. EL SALVADOR). THE MEASURES

CONFIDENTIAL

OUTLINED IN THE NATO DECLARATION ARE AN IMPORTANT SYMBOL OF THE WEST'S DETERMINATION NOT TO ACCEPT THE PRESENT REPRESSION IN POLAND AND TO TAKE FURTHER STEPS IF THE SOVIET UNION RESORTS TO OVERT INTERVENTION.

21. MORE IMPORTANT STILL, WHAT HAS HAPPENED IN POLAND IS A MAJOR DEFEAT FOR THE COMMUNIST SYSTEM. THIRTYSIX YEARS OF COMMUNIST GOVERNMENT HAVE LED TO MARTIAL LAW, INTERNMENT CAMPS, SPECIAL COURTS, FOOD SHORTAGES, ECONOMIC BANKRUPTCY, AND A POLITICAL DEAD END. THE SOCIALIST SYSTEM HAS BEEN SHOWN TO BE A POLITICAL AND ECONOMIC FAILURE ON A HUGE SCALE. AS I HAVE SAID IN INTERVIEWS AND SPEECHES, IT IS IMPORTANT THAT YOU SHOULD CONCENTRATE ON THIS ASPECT OF THE CRISIS SO THAT THIS DISASTER FOR THE EAST SHOULD NOT BE OBSCURED BY STORIES ABOUT DIFFERENCES AMONG THE WESTERN ALLIES.

REPRESENTATION AT POLISH FUNCTIONS

22. YOU WILL SEE IN PARAGRAPH 11 OF THE NATO COMMUNIQUE THAT THE QUALITY OF OUR RELATIONS WITH THE POLES SHOULD REFLECT THE ABNORMAL NATURE OF THE PRESENT SITUATION AND OUR REFUSAL TO ACCEPT THIS AS PERMANENT. THIS HAS BEEN INTERPRETED IN WARSAW BY MOST OF THE WESTERN ALLIES TO MEAN THAT ATTENDANCE AT OFFICIAL FUNCTIONS SHOULD BE AT MIDDLE RANKING LEVEL RATHER THAN BY HEADS OF POST. WE ARE CURRENTLY CONSULTING WITH OUR EC PARTNERS ON THE LEVEL OF REPRESENTATION AT OFFICIAL POLISH FUNCTIONS WORLDWIDE. GUIDANCE WILL BE SENT TO YOU SHORTLY ON THIS AND ON RELATIONS WITH THE SOVIET UNION.

23. FOR NON EC/NATO POSTS: YOU SHOULD DRAW ON THIS TELEGRAM WHEN APPROPRIATE OPPORTUNITIES ARISE TO EXPLAIN THE WESTERN POSITION TO THE GOVERNMENTS TO WHICH YOU ARE ACCREDITED. PLEASE REPORT REACTIONS.

CARRINGTON

POLAND SPECIAL
STANDARD

EESD
CSCE UNIT
NAD
SED
WED
ECD (E)
ESID
FED
CAD
SAD

UND
TRED
ERD
SEC D
OLA
CONS D
CONS EM UNIT
CABINET OFFICE

ADDITIONAL DISTN.
POLAND SPECIAL

[COPIES SENT TO NO 10 DOWNING ST]

GRS 570
UNCLASSIFIED
FM BONN 151720Z JAN 82
TO PRIORITY FCO

TELEGRAM NUMBER 32 OF 15 JANUARY
INFO PRIORITY WASHINGTON UKDEL NATO MOSCOW WARSAW PARIS
INFO SAVING ANKARA ATHENS BRUSSELS COPENHAGEN THE HAGUE LISBON
LUXEMBOURG OSLO OTTAWA REYKJAVIK ROME BNG BERLIN EAST BERLIN
CICC G AND ALL CONSULATES-GENERAL.

Prime Minister
especially par. 6.
(Kohl comes next
Monday) A.J.C. 15/1

MY IPT: POLAND: BUNDESTAG DEBATE

1. THE FOLLOWING IS A SUMMARY OF THE MAIN SPEECHES IN YESTERDAY'S DEBATE.
2. THE CHANCELLOR, IN HIS OPENING STATEMENT, SAID THAT FEDERAL GOVERNMENT POLICY TOWARDS POLAND, BASED ON THE BUNDESTAG RESOLUTION OF 16 DECEMBER, WAS QUOTE ABSOLUTELY CLEAR UNQUOTE. THE GOVERNMENT'S RESTRAINT, WHICH HAD HISTORICAL REASONS, HAD BEEN MISUNDERSTOOD IN THE WEST. HOWEVER HIS VISITS TO PRESIDENTS REAGAN AND MITTERRAND, PLUS THE MEETINGS OF EC AND NATO FOREIGN MINISTERS, HAD REVEALED AN IDENTITY OF VIEWS BETWEEN THE FEDERAL GOVERNMENT AND ITS PARTNERS. IT WAS IMPORTANT THAT A CRISIS FOR THE EAST SHOULD NOT DEVELOP INTO A CRISIS FOR THE WEST.
3. ON THE PRESENT SITUATION IN POLAND SCHMIDT SAID THAT DEVELOPMENTS TO DATE WERE NOT SATISFACTORY. EXPECTED SIGNALS HAD NOT OCCURED. THE CATHOLIC CHURCH AND THE POPE HAD EXPRESSED GROWING CONCERN AT THE SITUATION: GERMAN POLICY WOULD CONTINUE TO BE GUIDED BY THAT OF THE CHURCH. THE GERMAN AIM WAS NOT CONFRONTATION BUT A SOBER ASSESSMENT OF HOW BEST TO INFLUENCE THE POLISH LEADERSHIP TO RETURN TO THE REFORM PROGRAMME. IF POLAND WERE TO RETURN TO THE REFORM COURSE, A COMPREHENSIVE ECONOMIC AND FINANCIAL AID PACKAGE WOULD BE AVAILABLE.
4. SCHMIDT REJECTED THE INTERPRETATION OF HIS REMARK ON YALTA AS MEANING THAT HE ACCEPTED THE PERMANENT DIVISION OF EUROPE. THE FRG WAS IN FAVOUR OF PEACEFUL CHANGE: THE ESSENTIAL INGREDIENTS OF SUCH A POLICY WERE THE MAINTENANCE OF THE BALANCE OF POWER AND A READINESS TO CONTINUE A DIALOGUE. IN THIS CONNECTION SCHMIDT WELCOMED US DETERMINATION TO PROCEED WITH THE INF TALKS AND THE CSCE PROCESS.
5. HE TOOK A CAUTIOUS LINE ON SANCTIONS, SAYING THEY HAD HAD LITTLE IMPACT IN PAST CASES. THE GOVERNMENT WAS DETERMINED TO CONSULT WITH ITS NATO PARTNERS ON SPECIFIC MEASURES AGAINST POLAND AND THE SOVIET UNION. THESE MEASURES NEED NOT BE IDENTICAL BUT SHOULD REFLECT THE SITUATION OF INDIVIDUAL COUNTRIES. IT WAS IMPORTANT HOWEVER NOT TO UNDERMINE OTHER PARTNERS' MEASURES.

6. KOHL, OPENING FOR THE OPPOSITION, ATTACKED THE GOVERNMENT FOR BRINGING ABOUT A CRISIS OF CONFIDENCE IN THE ALLIANCE. HE CITED NUMEROUS EXAMPLES OF FOREIGN PRESS CRITICISM OF GERMAN POLICY IN SUPPORT OF HIS ASSERTION. SCHMIDT WAS A POLITICAL OPPORTUNIST WHOSE POLICES HAD LED TO BANKRUPTCY. KOHL Poured PARTICULAR SCORN ON SPD CHAIRMAN BRANDT AND COMPARED HIS INITIAL RELATIVELY MILD STATEMENT ON POLAND TO THE STRONG CONDEMNATION OF THE ITALIAN COMMUNISTS.

7. KOHL WELCOMED THE FIRMER NATO STANCE AND SAID THAT IF THE SOVIET UNION CONTINUED ITS AGGRESSIVE POLICY IT WOULD HAVE TO PAY A HIGH POLITICAL AND ECONOMIC PRICE. IF THE SOVIET UNION CONTINUED TO STIFLE THE POLISH REFORM MOVEMENT, THERE COULD BE NO QUESTION OF QUOTE BUSINESS AS USUAL UNQUOTE. THE GOVERNMENT HAD ENDANGERED LONG-STANDING TIES WITH THE WEST IN ORDER TO KEEP ON GOOD TERMS WITH THE SOVIET UNION.

8. GENSCHER, IN HIS SPEECH, REBUKED KOHL FOR MISREPRESENTING GOVERNMENT POLICY, AND REGRETTED THE BREAKDOWN IN BIPARTISANSHIP. THE SITUATION IN POLAND HAD DETERIORATED. THERE WAS SOME EVIDENCE THAT A LONG-TERM DEVELOPMENT WAS IN MOTION, WHICH LED AWAY FROM THE PROCESS OF REFORM AND RENEWAL. GENSCHEER REITERATED THE WEST'S THREE DEMANDS AND DENIED SOVIET ASSERTIONS OF INTERFERENCE IN POLAND'S INTERNAL AFFAIRS. THE WEST'S POSITION WAS BASED ON THE HELSINKI FINAL ACT. THE SOVIET UNION SHOULD TAKE GERMAN CONCERN AT THE FUTURE OF DETENTE AND EAST-WEST RELATIONS QUOTE VERY SERIOUSLY UNQUOTE. GENSCHEER UNDERLINED THE IMPORTANCE OF THE CSCE PROCESS AND CRITICISED OPPOSITION STATEMENTS IN FAVOUR OF BREAKING OFF THE GENEVA NEGOTIATIONS.

FCO PLEASE PASS SAVING ADDRESSEES EXCEPT BMG BERLIN EAST BERLIN CICC G AND ALL CONSULATES GENERAL

TAYLOR

[REPEATED AS REQUESTED]
[THIS TELEGRAM WAS NOT ADVANCED]

POLAND SPECIAL
STANDARD

ADDITIONAL DISTN.
POLAND SPECIAL

EESD
CSCE UNIT
NAD
SED
WED
ECD (E)
ESID
FED
CAD
SAD
UND

TRED
ERD
SEC D
OLA
CONS D
CONS EM UNIT
CABINET OFFICE

[COPIES SENT TO NO 10 DOWNING ST]

CONFIDENTIAL

GRS 900

CONFIDENTIAL

FM WARSAW 151655Z JAN 82

TO IMMEDIATE FCO

TELNO 122 OF 15TH JANUARY 1982

INFO PRIORITY : WASHINGTON, UKDEL NATO, MOSCOW, PARIS AND BONN

INFO SAVING: EAST BERLIN, PRAGUE, BUDAPEST, MODUK, SOFIA,
BUCHAREST, BELGRADE, HELSINKI, STOCKHOLM, UKMIS NEW YORK AND UKREP
BRUSSELS.

POLISH SITUATION.

1. THE POLISH AUTHORITIES ARE CLEARLY CONCERNED AT THE HARDENING OF WESTERN DISPLEASURE. THEY ARE ALSO APPREHENSIVE ABOUT THE PROBABILITY OF ECONOMIC SANCTIONS. THERE IS INCREASING EVIDENCE THAT GENERAL JARUZELSKI AND HIS COLLEAGUES ARE CONCENTRATING THEIR ATTENTION, AS WE SUGGESTED THEY SHOULD, ON THE THREE ISSUES ON WHICH WE HAVE SAID WE WOULD LIKE TO SEE PROGRESS, THE ABOLITION OF MARTIAL LAW, THE RELEASE OF THE DETAINEES, AND THE RESUMPTION OF A DIALOGUE. THESE THREE POINTS ARE NOW WRYLY KNOWN IN THE POLISH MFA AS "THE TRIANGLE."

2. WE HAVE REPORTED IN OUR DAILY SITREPS THE CONTINUING RELAXATION OF SOME OF THE MINOR RESTRICTIONS IMPOSED BY MARTIAL LAW, SUCH AS THE RESUMPTION OF LOCAL TELEPHONE COMMUNICATIONS AND OF EMBASSY TELEXES, THE LIFTING OF CENSORSHIP ON FOREIGN JOURNALISTS AND THE REOPENING OF CINEMAS AND THEATRES. AS THE DEFENCE ATTACHE HAS REPORTED, MOST MILITARY UNITS AROUND WARSAW HAVE DISPERSED AND THERE ARE FAR FEWER ROAD BLOCKS AND UNIFORMED PERSONNEL ON THE STREETS. MORE CONCESSIONS ARE LIKELY TO COME. OUR OFFICIAL CONTACTS HAVE TOLD US THAT JARUZELSKI WILL MAKE AN IMPORTANT SPEECH AT THE OPENING SESSION OF THE SEJM ON 20 JANUARY AND HE MAY WELL THEN ANNOUNCE SOME MORE SUBSTANTIVE RELAXATIONS.

3. THERE HAS BEEN LITTLE APPARENT PROGRESS ON THE RELEASE OF DETAINEES, WHOSE NUMBERS ARE STILL QUOTED AT AROUND THE 5,000 LEVEL.

4. ON THE RESUMPTION OF THE DIALOGUE, THE AUTHORITIES WOULD POINT TO THE WEEKEND MEETING BETWEEN JARUZELSKI AND GLEMP WHICH HAS BEEN HERALDED AS THE FIRST OF A SERIES OF SUCH MEETINGS. THERE HAVE BEEN FEW SIGNS OF ANY SERIOUS DISCUSSIONS WITH SOLIDARITY, LARGELY, IT SEEMS, BECAUSE WALESIA IS STILL REFUSING TO TALK TO THE AUTHORITIES WITHOUT HIS PRESIDUM AND HIS CLOSEST ADVISERS. HE IS ALSO NOW SAID TO BE INSISTING THAT A PRECONDITION FOR SUCH NEGOTIATIONS MUST BE THE AUTHORITIES' ACCEPTANCE OF THE SANCTITY OF THE GDANSK AGREEMENTS. FURTHER DEMILITARISATION MEASURES HAVE TAKEN PLACE, INCLUDING A MEETING OF THE POLITBURO (WHICH DID NOT SEEM TO DISCUSS ANYTHING SUBSTANTIVE). THERE IS ALSO TALK OF A CENTRAL COMMITTEE

CONFIDENTIAL

/ MEETING

MEETING IN THE NEAR FUTURE. THE SEJM WILL MEET ON 28 JANUARY FOR AN IMPORTANT DEBATE. THERE HAVE BEEN MEETINGS BETWEEN THE PZPR, THE DEMOCRATIC PARTY AND THE PEASANTS PARTY. AND THROUGHOUT THE COUNTRY LOCAL MEETINGS OF COMMITTEES OF NATIONAL SALVATION LOOK LIKE AN ATTEMPT TO WORK UP SOME GRASS ROOTS SUPPORT FOR A RESURRECTION OF THE CONCEPT OF A FRONT OF NATIONAL UNDERSTANDING.

5. WESTERN PRESSURE HAS UNDOUBTEDLY BEEN INSTRUMENTAL IN SECURING SOME OF THESE RELATIVELY MINOR RELAXATIONS. WE MUST NOW BE CAREFUL, HOWEVER, TO ENSURE THAT THE POLISH AUTHORITIES DO NOT TURN THE TABLES ON US BY CLAIMING, HOWEVER SPURIOUSLY, THAT THE THREE CONDITIONS HAVE BEEN MET.

6. THIS WOULD NOT, IN A PURELY COSMETIC SENSE, BE TOTALLY IMPOSSIBLE TO ACHIEVE. THERE NOW SEEMS TO BE A GOOD CHANCE THAT, POSSIBLY AT THE NEXT SEJM SESSION, THE MILITARY AUTHORITIES WILL OSTENTATIOUSLY LIFT MARTIAL LAW, REPLACING IT BY SOMETHING ELSE, "A STATE OF ALERT" PERHAPS, WHICH WILL RETAIN MOST OF THE NASTY RESTRICTIONS WHILE RESCINDING THE OTHERS. IT MIGHT NOT BE TAKING TOO MUCH OF A RISK TO RELAX THE ADMINISTRATIVE RESTRICTIONS OF MARTIAL LAW WHILE MAINTAINING THE POLITICAL ONES, PARTICULARLY THOSE BEARING ON CIVIL LIBERTY, THE SUSPENSION OF SOLIDARITY, LARGE GATHERINGS AND OTHER POLITICAL ACTIVITY. JARUZELSKI MIGHT TRY TO GIVE FURTHER DUBIOUS RESPECTABILITY TO SUCH A MOVE BY MAKING THE SEJM RESPONSIBLE FOR THE NEW MEASURES. THE AUTHORITIES MAY ALSO BE ABLE TO CLAIM THAT SOME SORT OF DIALOGUE HAS BEEN REOPENED WITH THE CHURCH AND SOLIDARITY. THEY WILL ALSO SEEK TO PROVE THAT POLITICAL POWER IS PROGRESSIVELY BEING HANDED BACK TO CIVILIAN BODIES, SUCH AS THE SEJM AND THE PARTY. IT WILL BE MORE DIFFICULT TO BLUR THE ISSUE ON THE RELEASE OF DETAINEES BUT A LARGE NUMBER OF THEM COULD PROBABLY BE RELEASED NOW WITHOUT DANGER AND EVEN THOSE WHO MIGHT STILL BE DANGEROUS COULD BE SHIFTED TO SOME FORM OF HOUSE CONFINEMENT.

6. THERE IS NO FIRM EVIDENCE SO FAR THAT THIS IS WHAT THE POLES ARE TRYING TO ACHIEVE. NEXT WEEK'S SEJM SESSION WILL, I THINK, SHOW US WHICH WAY THEIR MINDS ARE TURNING.

FCO PLEASE PASS SAVING ADDRESSEES.

MELHUISE

[REPEATED AS REQUESTED]

POLAND SPECIAL
STANDARD

EESD
CSCE UNIT
NAD
SED
WED
ECD (E)
ESID
RED
CAD
SAD

UND
TRED
ERD
SEC D
OLA
CONS D
CONS EM UNIT
CABINET OFFICE

ADDITIONAL DISTRN.
POLAND SPECIAL

[COPIES SENT TO NO 10 DOWNING ST]

2
CONFIDENTIAL

Ref: B06377

Prime Minister

Agree that I should write in the
terms proposed by Mr. Wade-Serg.

MR COLES

c Sir Robert Armstrong

How much of the existing contracts? Some would assume Poland the whole? MS
Some pipeline is covered by A.S.C. 1/1

The proposals in Mr Richards' letter to you of 13th January are likely to raise problems for the Chancellor ^{of the Exchequer} and the Secretary of State for Trade.

2. The Chancellor's is a technical problem. It is a general rule that the United Kingdom share of expenditure from the European Community Aid Budget should be met from the Foreign and Commonwealth Office's PESC programmes (normally the Aid Programme). If therefore the Community decides to make available humanitarian aid to Poland, the Chancellor would look to the FCO to provide the United Kingdom share from within its existing programmes. How easy this would be would depend on the sums involved, which are not yet known. If they were large, and the cause still seemed good, Ministers might wish to authorise additional expenditure. But the Treasury, understandably, do not wish to sign a blank cheque at this stage.
3. The Secretary of State for Trade's problem is more substantive, but is not likely to lead to disagreement. He will wish to clarify a point which does not come out very clearly from Mr Richards' letter. Is it Lord Carrington's intention that the Government should have a chance of considering the British contribution to a package of measures against the Soviet Union against the background of what other allies are prepared to do? and that this consideration should take place before the "decisive session in NATO" and the public announcement which would follow it? I understand that the answers to these questions are Yes. Ministers will therefore have an opportunity to consider whether Britain is bearing its fair share and not more of the costs of an Alliance package; and whether, if the burden seems disproportionate (or there is no agreement within the Alliance), we should make a corresponding reduction in our effort or maintain it in the interests of solidarity with the United States. Ministers might also want to take into account at that stage the attitude of the American authorities to those firms, especially British firms such as John Brown, with substantial existing contracts for the Western Siberian gas pipeline.



4. You should also be aware that officials of the Department of Trade and ECGD have some reservations about Lord Carrington's proposal that the Soviet Union should be put in a higher category for the purposes of the OECD Export Credit Consensus (the main effect of which would be to raise by half a percent the minimum level of interest chargeable on officially guaranteed credits). But Mr Biffen is not expected to raise this question, which can probably be satisfactorily resolved at official level.
5. I attach a draft letter which, subject to the Prime Minister's views, and to the comments of Sir Geoffrey Howe and Mr Biffen, you may like to send to Mr Richards.

A handwritten signature in blue ink, appearing to read 'R L Wade-Gery'.

15th January 1982

R L WADE-GERY

DRAFT LETTER FROM MR COLES TO MR RICHARDS, FCO

Poland

The Prime Minister has seen your letter of 13th January and taken note of the further economic measures which Lord Carrington proposes that we should take. She assumes that Lord Carrington will ensure that there is an opportunity to consider, if necessary collectively, the measures to be taken by the United Kingdom in the light of what other members of the Alliance are prepared to do before any firm commitment or public announcement is made. In the light of what may be United States tactics over the gas pipeline, Lord Carrington may also wish to consider the possibility of a reverse linkage, whereby we might suggest to the Americans that it would be easier for us to put together what they would regard as an adequate package of measures if they were prepared to be helpful over existing contracts.

2. The Prime Minister has also noted the technical difficulties which might arise if any Community humanitarian assistance to Poland were attributable to the Community aid budget. She hopes that this problem can be resolved by the Departments concerned.

3. I am sending copies of this letter to the Private Secretaries to the Chancellor of the Exchequer, the Secretaries of State for Industry and Trade and the Minister of Agriculture, and to Sir Robert Armstrong.

(This point is also referred to in Foulton's letter of 18 January which the Prime Minister has not yet seen)

ADL 18/1

PRIME MINISTER

Yes.
Sun. night
or Mon. am.
16/1

f.a.
15/1

Leaving

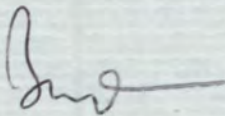
You will recall that last weekend I reported to you the case of Gregg Miskiw, the Sunday Mirror reporter who had been charged with entering Poland illegally. Over the past week he was given a two year suspended sentence on visa irregularity charges and fined a substantial sum. It had been hoped that he would be released and sent back to Britain this week.

Unfortunately the prosecution is now appealing against his sentence on the grounds, so the Sunday Mirror establishes from other journalists, that his case ought to be heard by a military court under military law, which carries a minimum sentence of three years for the offence which he is charged.

I attach my minute of last weekend. You will see that Gregg Miskiw got into Poland through an excess of zeal.

Bob Edwards, the Editor, is however extremely worried about the prospects for his reporter and really, according to Victor Knight, does not know what more he can do to try to achieve his release. Edwards is very anxious to have a word with you either over the weekend or early next week. He would much prefer to come in and have a chat.

Could you let me know via the duty clerk tomorrow, Saturday, whether you would like to have a short - eg 10 minutes - meeting with Bob Edwards, who would like to be accompanied by Victor Knight, or whether you would prefer to talk to him on the telephone?



B. INGHAM

15 January 1982



Foreign and Commonwealth Office

London SW1A 2AH

15 January 1982

*Dear John,*Day of Solidarity with the Polish People*tels attached.*

You will have seen from FCO telnos 37 and 38 to Washington, and from Washington telno 105, that American non-governmental organisations, notably the AFL/CIO, the Catholic Church and Polish/American groups, are planning to organise a Day of Solidarity with the Polish people on 30 January; and that the American Administration is giving its whole-hearted backing to the idea.

While the Administration wishes the Solidarity Day to be seen as a non-governmental event, it is lending support behind the scenes in the belief that a gesture of mass solidarity with the Polish people will not only represent a major expression of moral support that the Poles badly need, but will demonstrate to the Soviet Union and its allies that the crushing of human rights will cause them political defeats elsewhere in the world. The Americans have approached all NATO countries, Japan, Australia, New Zealand and the Pope seeking support. Specifically they have suggested that Heads of Government of these countries, including the Prime Minister, should follow President Reagan's example and make statements in support of the Polish people. These would be broadcast in a special television show incorporating also American and European contributions by major entertainers and carried by the US and other satellite transmissions on 30 January.

We understand that the Americans have had no substantive answers so far, but that initial reactions have been generally positive if somewhat guarded. President Reagan is taking a personal interest in the idea and it would be in accordance with our general wish to demonstrate solidarity with the Americans to try to cooperate with them as far as possible.

I imagine that the Prime Minister will not wish to refuse the American request, even though not all Allied Heads of Government are likely to agree to it: some may be put off by the 'showbiz' aspect, or by reluctance to appear to be dancing to an American tune. If you agree, HM Ambassador in Washington will be instructed to tell the State Department that the Prime Minister is willing to record a message to be broadcast on 30 January and that American networks or the US Embassy on their behalf should make arrangements direct with No. 10.

The Americans have told us that their non-governmental
/organisations



organisations will be approaching parallel organisations in this country, presumably to propose that they consider organising a similar Day of Solidarity in the UK. However, because this is primarily a non-partisan, non-governmental effort, the Americans have expressly asked us not to approach such groups. I am sure this is right. If we were to receive an approach from any such group our advice should be that they are of course free to organise such an event if they wish to do so: but the American conception, with which we agree, is for the event to be essentially a non-governmental expression of popular support for the Polish people. If the Prime Minister agrees to make the statement requested by the Americans we should, of course, be able to mention this as an indication of our support for the idea.

*Yours ever,
Brian*

(B J P Fall)
Private Secretary

A J Coles Esq
10 Downing Street

ADVANCE COPY

V

919102 CONSUL G DE DWS HSP
DIS 04
LDC NR 752/15

OO DISTRESSFCO

GR 60
UNCLASSIFIED
FM WARSAW 151030Z JAN 82
TO IMMEDIATE DISTRESSFCO
TELEGRAM NUMBER DISTRESS 14 OF 15 JANUARY

MYTEL NO. DISTRESS 7: MISKIW

1. PROSECUTION HAS DECIDED TO APPEAL AGAINST SENTENCE. NO DATE HAS YES BEEN FIXED FOR THE HEARING AND MISKIW'S LAWYER IS UNABLE TO GIVE ANY INDICATION WHEN THIS MIGHT BE.

2. WE ARE SEEKING PERMISSION FOR MISKIW TO RETURN TO BRITAIN UNTIL DATE OF HEARING.

MELHUI SH

NNNN

Peter Wilson, Sunday Mirror, informed.
He said paper would put up a
substantial sum for bail if Mis
would help.
RDR 1250hrs
15.1.82

0

0
919102 CONSUL GO
919102 CONSUL G
825701 FCOHSP G

ADVANCE COPY

DIS 11

LDC NR 736/14

RR DISTRESSFCO

GR 100
UNCLASSIFIED
FM WARSAW 141400Z JAN 82
TO ROUTINE DISTRESS 11 OF 14 JANUARY

YOUR DISTRESS 9: MISKIW

1. MISKIW WAS CHARGED WITH ENTERING POLAND ILLEGALLY, IN BREACH OF ARTICLE 288 OF THE POLISH CIVIL CODE, WHICH STATES: QUOTE

ART 288 PAR. 1. WHOEVER WITHOUT THE REQUIRED PERMISSION CROSSES A BORDER OF THE POLISH PEOPLE'S REPUBLIC, SHALL BE SUBJECT TO THE PENALTY OF DEPRIVATION OF LIBERTY FOR UP TO 5 YEARS.

PAR.2 - IN A CASE OF LESSER GRAVITY, THE PERPETRATOR SHALL BE SUBJECT TO THE PENALTY OF DEPRIVATION OF LIBERTY FOR UP TO ONE YEAR, LIMITATION OF LIBERTY OR A FINE.

MELHUI SH

NNNN

*Peter Wilson, Sunday Mirror,
informed.*

*NDZ
14/1/82*

V

CONFIDENTIAL

A verbal summary.

A.F.C.

GRS 810

CONFIDENTIAL

FM FCO 141400Z JAN 82

TO PRIORITY UKDEL NATO

TELEGRAM NUMBER 13 OF 14 JANUARY

INFO PRIORITY ALL NATO POSTS, DUBLIN, MOSCOW, BUDAPEST, SOFIA, BUCHAREST, PRAGUE, BELGRADE, EAST BERLIN, BMG BERLIN, STOCKHOLM, VIENNA, BERNE, MADRID, TOKYO, WELLINGTON, HELSINKI, UKMIS NEW YORK, USMIS GENEVA, WARSAW, CANBERRA, UKREP BRUSSELS UK POLICY ON THE POLISH CRISIS

BEGINS

1. THE FOLLOWING GUIDANCE ON OUR THINKING MAY BE HELPFUL FOLLOWING THE EC FOREIGN MINISTERS MEETING ON 4 JANUARY AND THE NATO FOREIGN MINISTERS MEETING ON 11 JANUARY. (SEE UKREP BRUSSELS TELNO 2 OF 4 JANUARY AND UKDEL NATO TELNOS 15 AND 16 OF 11 JANUARY).
2. OUR THREE SHORT-TERM OBJECTIVES REMAIN AS SET OUT BOTH IN THE EC FOREIGN MINISTERS' COMMUNIQUE AND IN THE NATO FOREIGN MINISTERS' DECLARATION: THE ENDING OF MARTIAL LAW, THE RELEASE OF THOSE DETAINED AND THE RESTORATION OF A GENUINE REPEAT GENUINE DIALOGUE WITH THE CHURCH AND SOLIDARITY. THESE WILL BE HARD TO ACHIEVE GIVEN JARUZELSKI'S VERY LIMITED ROOM FOR MANOEUVRE AND, NO DOUBT, STRONG SOVIET OPPOSITOON. NONETHELESS, IT IS IMPORTANT THAT THE WEST SHOUL DEMONSTRATE CLEARLY ITS CONCERN AT EVENTS AND BE SEEN TO BE TRYING TO BRING ABOUT CHANGE.
3. AS TO ECONOMIC ASSISTANCE TO POLAND, YOU WILL NOTE FROM NATO DECLARATION (PARA 13) THAT, WITH THE SOLE EXCEPTION OF INCREASED HUMANITARIAN AID AND CONTINUED CREDIT FOR FOOD SUPPLIES, FURTHER ASSISTANCE WHETHER IN THE FORM OF RESCHEDULING OR NEW CREDITS HAS BEEN SUSPENDED FOR THE TIME BEING. (WE OURSELVES DO NOT INTEND TO PROVIDE FURTHER CREDIT FOR COMMERCIAL FOOD SALES IN PRESENT CIRCUMSTANCES BUT SHALL BE CONCENTRATING IN THE COMMUNITY ON INCREASING HUMANITARIAN AID INCLUDING SOME FOOD). WE BELIEVE THAT THE WITHDRAWAL OF WESTERN SUPPORT WILL ADD TO POLAND'S ALREADY CONSIDERABLE ECONOMIC DIFFICULTIES.
4. TOWARDS THE SOVIET UNION OUR AIM IS TO SHOW THAT THE SOVIET INVOLVEMENT IN POLAND SO FAR (UNQUESTIONABLE COMPLICITY IN THE PREPARATIONS FOR THE IMPOSITION OF MARTIAL LAW, AND INTENSE PRESSURE ON SUCCESSIVE POLISH LEADERSHIPS EVER SINCE AUGUST 1980) IS UNACCEPTABLE AND INCONSISTENT WITH THE HELSINKI FINAL ACT, AND THAT FURTHER (ESPECIALLY MILITARY) INTERVENTION WOULD HAVE THE GRAVEST CONSEQUENCES FOR EAST/WEST RELATIONS. IN OUR VIEW, THIS REQUIRES THE REST OF THE ALLIANCE TO TAKE MEASURES PARALLEL TO THOSE ANNOUNCED BY THE UNITED STATES ON 29 DECEMBER, WHILE LEAVING ENOUGH MEASURES IN RESERVE TO HELP TO DETER SOVIET MILITARY INTERVENTION OR TO RESPOND TO THIS IF IT OCCURS. WE HAVE BEEN WORKING WITHIN NATO TO THIS END: HENCE THE MEASURES IN PARAGRAPHS 11(A) AND (B) AND 14 OF THE DECLARATION.

CONFIDENTIAL

ALLIANCE COHESION

5. OUR OVERRIDING OBJECTIVE OVER THE LAST THREE WEEKS HAS HOWEVER BEEN TO MAINTAIN THE UNITY OF THE ALLIANCE AND TO ENSURE THAT THE ACTUAL CRISIS IN POLAND DID NOT BECOME A CRISIS FOR THE ALLIANCE AS WELL. WE WERE FACED WITH: (I) DIFFERENT PERCEPTIONS OF EVENTS BETWEEN SOME EUROPEANS, PARTICULARLY THE GERMANS, ON THE ONE HAND AND THE AMERICANS ON THE OTHER: AND (II) THE AMERICAN ANNOUNCEMENT OF UNILATERAL MEASURES TOWARDS POLAND ON 23 DECEMBER AND TOWARDS THE SOVIET UNION ON 29 DECEMBER, WITHOUT REAL PRIOR CONSULTATION. WE HAVE WORKED TO RECONCILE THE POSITIONS OF THE TEN AND OTHER EUROPEAN MEMBERS OF NATO WITH THAT OF THE AMERICANS. THE MEASURES WE ARE CONTEMPLATING ARE DIRECTED AS MUCH TOWARDS MAINTAINING ALLIANCE COHESION AS INFLUENCING THE SOVIET UNION OR POLAND. NEVERTHELESS WE BELIEVE THAT THE STEPS AGREED CONSTITUTE A CLEAR AND VALUABLE WARNING TO THE SOVIET UNION THAT PRESSURE TO PREVENT A RETURN TO RENEWAL AND REFORM IN POLAND WOULD INDEED CARRY SEVERE POLITICAL AND ECONOMIC PENALTIES, AND SOVIET MILITARY INTERVENTION EVEN MORE SO. THE OUTCOME OF THE NATO MEETING WAS SATISFACTORY IN SHOWING A MUCH GREATER DEGREE OF ALLIANCE SOLIDARITY THAN HAD BEEN FEARED: ALL NATO MEMBERS SUBSCRIBED TO THE COMMUNIQUE WITH THE SOLE EXCEPTION OF THE GREEKS WHO RESERVED THEIR POSITION ON THE SOVIET ROLE AND ON ACTUAL SANCTIONS (THE GREEK WORD) AGAINST POLAND AND THE SOVIET UNION.

THE FUTURE

6. FURTHER DISCUSSION IS NOW IN PROGRESS IN THE COMMUNITY, THE TEN AND NATO OF THE RANGE OF MEASURES IDENTIFIED AT THE NATO MEETING FOR POSSIBLE USE AGAINST POLAND AND THE SOVIET UNION. THE PROCESS OF CONVERTING THE STRONG WORDS OF THE NATO DECLARATION INTO ACTION WILL NOT BE EASY. A CRUCIAL FACTOR WILL BE THE US ATTITUDE TO EXISTING CONTRACTS INVOLVING US COMPONENTS FOR THE WEST SIBERIAN GAS PIPELINE. IF THEY ALLOW CONTRACTS TO GO AHEAD UNIMPEDED WE SHOULD BE ABLE TO AGREE ON A PACKAGE OF MUTUALLY CONCERTED THOUGH NOT IDENTICAL MEASURES.

7. THERE WILL BE A FOREIGN AFFAIRS COUNCIL ON 25/26 JANUARY AND PROBABLY A NORTH ATLANTIC COUNCIL SHORTLY AFTERWARDS. WE WOULD THEREFORE EXPECT DECISIONS TO BE MADE PUBLIC FAIRLY SOON AFTER THESE TWO MEETINGS.

CARRINGTON

[COPIES SENT TO NO 10 DOWNING ST]

STANDARD
EESD
CSCE UNIT
NAD
SED
WED
ECD (E)
ESID
TRED
ERD

SEC D
OLA
CONS D
CONS EM UNIT
PUSD
FED
CAD
SAD
CABINET OFFICE 2

ADDITIONAL DISTN.
POLAND SPECIAL

CONFIDENTIAL

GRS 205
CONFIDENTIAL

CONFIDENTIAL

FM PARIS 141900Z JAN 82

TO PRIORITY FCO

TELEGRAM NUMBER 56 OF 14 JANUARY

INFO PRIORITY UKREP BRUSSELS, UKDEL NATO, WARSAW, WASHINGTON,

INFO ROUTINE BONN, ROME, MOSCOW.

INFO SAVING BRUSSELS, COPENHAGEN, DUBLIN, THE HAGUE, LUXEMBOURG,
ATHENS.

FROM CAREY

MIPT : POLISH DEBT RESCHEDULING

FOLLOWING IS TEXT OF CHAIRMAN'S LETTER TO THE POLISH GOVERNMENT.

QUOTE

THE GROUP OF SIXTEEN CREDITOR COUNTRIES OF POLAND MET ON
JANUARY 14, 1982 IN PARIS TO DISCUSS THE RESCHEDULING OF POLAND'S
OFFICIAL OR OFFICIALLY GUARANTEED DEBT.

THE GROUP AGREED THAT EVENTS HAD TAKEN PLACE IN POLAND
INDICATING EXCEPTIONAL CIRCUMSTANCES ALONG THE LINE OF WHAT
HAD BEEN ENVISAGED UNDER IV - 3 CLAUSE OF THE APRIL 27, 1981
AGREED MINUTE. HOWEVER THE GROUP CONSIDERED THAT THE CLAUSE
AS SUCH SHOULD NOT BE INVOKED AT THIS TIME.

AS FAR AS NEGOTIATIONS ON THE 1982 RESCHEDULING ARE
CONCERNED, A BROAD CONSENSUS AMONG CREDITOR COUNTRIES IS
NECESSARY TO CONTINUE THESE NEGOTIATIONS. SINCE THERE
IS NO SUCH CONSENSUS TODAY, IT WAS CONSIDERED THAT THESE
NEGOTIATIONS SHOULD NOT BE RESUMED FOR THE TIME BEING.

HOWEVER I WILL, AS CHAIRMAN OF THE GROUP OF CREDITOR
COUNTRIES, KEEP IN COMMUNICATION WITH YOURSELF AND MY COLLEAGUES
TO APPRECIATE WHETHER DEVELOPMENTS ARE SUCH THAT NEGOTIATIONS CAN
BE RESUMED. IN THE MEANTIME, ALL CREDITOR COUNTRIES INDEED
EXPECT POLAND TO LIVE UP TO HER INTERNATIONAL FINANCIAL
OBLIGATIONS.

UNQUOTE.

FCO PLEASE PASS SAVING ALL.

HIBBERT

REPEATED AS REQUESTED

POLAND SPECIAL
STANDARD

EESD
CSCE UNIT
NAD
SED
WED
ECD (E)
ESID
FED
CAD
SAD

VND
TRED
ERD
SEC D
OLA
CONS D
CONS EM UNIT
CABINET OFFICE

ADDITIONAL DISTN.
POLAND SPECIAL

[COPIES SENT TO NO 10 DOWNING ST]

THIS TELEGRAM
WAS NOT
ADVANCED.

CONFIDENTIAL

CONFIDENTIAL

MS

GRS 136

CONFIDENTIAL

FM PARIS 141850Z JAN 82

TO PRIORITY FCO

TELEGRAM NUMBER 55 OF 14 JANUARY

INFO PRIORITY UKREP BRUSSELS, UKDEL NATO, WARSAW, WASHINGTON.

INFO ROUTINE ROME, MOSCOW, BONN.

INFO SAVING BRUSSELS, COPENHAGEN, DUBLIN, THE HAGUE, LUXEMBOURG, ATHENS.

FROM CAREY

PARIS TELNO 36: POLISH DEBT RESCHEDULING

THE MEETING OF CREDITOR COUNTRIES WITHOUT THE POLES TOOK PLACE TODAY. IT WAS AGREED THAT THE FRENCH CHAIRMAN (CAMDESSUS) WOULD HAND OVER A LETTER TO THE POLISH EMBASSY IN PARIS ON 15 JANUARY. TEXT OF LETTER IN MIFT.

2. THE FORMULATION IN PARAGRAPH THREE WAS THE OUTCOME OF A COMPROMISE BETWEEN DELEGATIONS ADVOCATING A MORE FIRM STATEMENT (UNITED KINGDOM, WEST GERMANY, USA AND NETHERLANDS) AND A MINORITY OF NEUTRAL COUNTRIES (SWEDEN, SWITZERLAND AND FINLAND) WHO APPARENTLY WANTED TO LEAVE THE DOOR OPEN FOR EARLY RESUMPTION.

3. IT WAS AGREED THAT NO DATE SHOULD BE FIXED FOR A RESUMPTION OF DISCUSSIONS, AND IT WAS LEFT THAT FRANCE AS CHAIRMAN WOULD KEEP IN TOUCH WITH THE COUNTRIES CONCERNED. FCO PLEASE PASS SAVING ALL.

HIBBERT

POLAND SPECIAL
STANDARD

EESD
CSCE UNIT
NAD
SED
WED
ECD (E)
ESID
FED
CAD
SAD

UND
TRED
ERD
SEC D
OLA
CONS D
CONS EM UNIT
CABINET OFFICE

ADDITIONAL DISTN.
POLAND SPECIAL

[COPIES SENT TO NO 10 DOWNING ST]

THIS TELEGRAM
WAS NOT
ADVANCED

CONFIDENTIAL

GR 300

CONFIDENTIAL

CONFIDENTIAL

DESKBY 150900Z

MR. ALEXANDER, 10, DOWNING STREET.

FM WARSAW 141625Z JAN 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 113 OF 14 JANUARY

YOUR TELNO 54, POLAND: UK POLICY

1. A DECISION BY POLAND'S MAIN WESTERN CREDITORS TO SUSPEND FURTHER CREDITS AND OTHER FORMS OF ECONOMIC ASSISTANCE UNTIL THE REGIME LIVES UP TO ITS PROMISES WOULD BE CERTAIN TO HAVE FAR-REACHING ECONOMIC CONSEQUENCES.
2. THE EFFECT WOULD BE MOST PRONOUNCED ON AGRICULTURAL IMPORTS. POLAND HAD INTENDED TO IMPORT LARGE AMOUNTS OF FOOD FOR HUMAN AND ANIMAL CONSUMPTION IN 1982. WITHOUT CREDITS THIS WILL BE ALMOST IMPOSSIBLE. FOOD IN THE SHOPS WILL BE EVEN SCARCER THAN IT NOW IS AND LIVESTOCK NUMBERS WOULD DROP FURTHER STILL. THE POLISH AUTHORITIES WOULD HAVE TO MAKE FURTHER REDUCTIONS IN RATIONS.
3. SIMILAR CONSIDERATIONS APPLY TO IMPORTS FROM THE WEST OF RAW MATERIALS, SPARE PARTS AND COMPONENTS FOR POLISH INDUSTRY. SHORTAGES OF THESE ITEMS ARE ALREADY CREATING SEVERE PROBLEMS IN POLISH INDUSTRY, MUCH OF WHICH IS IMPORT-DEPENDENT. THE AUTHORITIES WILL BE UNABLE TO RESTORE "NORMAL WORKING" AND MAINTAIN OR INCREASE THE LEVEL OF EMPLOYMENT AND MARKET SUPPLIES WITHOUT INDUSTRIAL IMPORTS FROM THE WEST.

4. ECONOMIC ACTION AGAINST POLAND BY THE WEST IS BOUND TO CAUSE HARDSHIP TO THE POLISH PEOPLE

AND THE AUTHORITIES WILL PIN THE BLAME FIRMLY ON WESTERN GOVERNMENTS. SUCH ACTION WILL ALSO INCREASE POLAND'S ECONOMIC, AND HENCE POLITICAL, DEPENDENCE ON THE SOVIET UNION. THEY REMAIN HOWEVER THE MOST - AND PERHAPS THE ONLY - EFFECTIVE MEANS OF PUTTING PRESSURE ON THE POLISH AUTHORITIES TO LIFT THE REPRESSIVE MEASURES WHICH THEY HAVE IMPOSED UPON THE POLISH NATION AND TO RE-ESTABLISH THE PROCESS OF RENEWAL AND REFORM.

MELHUI SH

LIMITED

EESD

ECD(E)

CSCE UNIT

NAD

SED

WED

ESID

TRED

PLANNING STAFF

ERD

PUSD

NEWS D

PS

PS/LPS

PS/LORD TREFGARNE

PS/PUS

MR BULLARD

LORD BRIDGES

MR FERGUSSON

MR EVANS

MR HANNAY

MR HAYES

ADDITIONAL DISTRIBUTION

EASTERN EUROPEAN ECONOMIC

CONFIDENTIAL

GR 1000

CONFIDENTIAL

CONFIDENTIAL

FM WARSAW 141600Z JAN 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 111 OF 14 JANUARY

INFO ROUTINE WASHINGTON, UKDEL NATO, MOSCOW, PARIS, BONN AND HOLY SEE

INFO SAVING EAST BERLIN, PRAGUE, SOFIA, BELGRADE, BUDAPEST, BUCHAREST, UKMIS NEW YORK, UKREP BRUSSELS, HELSINKI AND STOCKHOLM

OUR TEL NO 983: POLAND: THE CHURCH

1. THERE IS CLEARLY A GREAT DEAL OF TALKING, AND POSSIBLY EVEN NEGOTIATING, GOING ON AT PRESENT BETWEEN THE CHURCH AND THE AUTHORITIES. THE WEEKEND MEETING BETWEEN ARCHBISHOP GLEMP AND GENERAL JARUZELSKI HAS BEEN THE HIGHEST RANKING AND MOST VISIBLE OF THESE ACTIVITIES BUT WE ARE CONFIDENT THAT THERE ARE OTHERS. THIS MAY THEREFORE BE A GOOD MOMENT TO REVIEW THE CHURCH'S ROLE IN THE POLISH CRISIS.

2. THE MAIN SECULAR AIM OF THE CHURCH IN POLAND NOW, AS IT HAS BEEN OVER THE YEARS AND PARTICULARLY SINCE WORLD WAR II, IS TO SEEK TO ESTABLISH THE MOST FAVOURABLE POLITICAL ECONOMIC AND SOCIAL ENVIRONMENT IN WHICH THE CATHOLIC FLOCK CAN WORSHIP FREELY. THIS AIM BROUGHT THE CHURCH INTO DIRECT CONFLICT OF VARYING INTENSITY WITH THE COMMUNIST AUTHORITIES IN THE 50S, 60S AND, TO A LESSER EXTENT, THE 70S. FROM AUGUST 1980 THE CONFRONTATIONAL ASPECT DWINDLED AWAY. MORE OFTEN THAN NOT, HOWEVER, THE CHURCH SIDED WITH SOLIDARITY IN ITS CLASHES WITH THE GOVERNMENT, SINCE SOLIDARITY'S 10 MILLION MEMBERS REPRESENTED THE POLISH PEOPLE AND THE CATHOLIC CHURCH.

3. SINCE THE EVENTS OF 12/13 DECEMBER THE CHURCH FINDS ITSELF IN SOMETHING OF A DILENMA. IT HAS NO PROBLEM OVER ITS SHORT TERM OBJECTIVE WHICH IS TO ALLEVIATE AS FAR AS POSSIBLE THE SUFFERING CAUSED BY MARTIAL LAW TO THE POLISH PEOPLE. TO THIS END IT HAS SOUGHT TO HELP THE INTERNEES AND THOSE WHO HAVE BEEN DISMISSED FROM THEIR JOBS. IT HAS SET UP SEPARATE COMMISSIONS TO LOOK AFTER THE TWO GROUPS AND HAS ACHIEVED SOME SUCCESS. THE CALCULATION OF ITS MEDIUM AND LONGER TERM OBJECTIVES HAS HOWEVER BEEN MORE COMPLICATED. THE WORST OUTCOME FOR THE CHURCH WOULD BE INTERVENTION BY THE SOVIET UNION OF A SOVIET TAKE OVER IN ANY OTHER FORM. THIS WOULD INEVITABLY BRING MAJOR CONFRONTATION WITH AN IMPLACABLE FOE. SLIGHTLY BETTER, BUT NOT MUCH, WOULD BE THE REVERSION OF POLAND TO AN ORTHODOX SOCIALIST STATE SINCE THIS WOULD INVOLVE THE KIND OF PERSECUTION OF THE CHURCH WHICH OCCURRED HERE IN THE 50S AND 60S. THE CHURCH, LIKE MOST OTHER ELEMENTS OF POLISH SOCIETY, MUST THEREFORE HOPE FOR AS MUCH FREEDOM AND TOLERANCE AS CAN BE RETAINED FROM THE PERIOD OF THE ODNOWA.

CONFIDENTIAL

/4.

4. AT THE SAME TIME THE CHURCH HAS ITS OWN INTERNAL PROBLEMS. AN UNUSUAL FEATURE OF THE PAST MONTH HAS BEEN THE PUBLIC APPEARANCE OF DISHARMONY WITHIN THE NORMALLY TIGHTLY DISCIPLINED POLISH CHURCH. IN THE FIRST WEEK MANY BISHOPS AND PRIESTS IN PRIVATE, AND A NUMBER OF LAY CATHOLIC ADVISERS IN PUBLIC, CRITICISED GLEMP'S MODERATE REACTION TO THE IMPOSITION OF MARTIAL LAW. THERE ARE STILL MUTTERINGS OF DISCONTENT, REFLECTING THE GAP BETWEEN THE PARISH PRIEST, CONCERNED WITH THE IMPACT OF MARTIAL LAW ON THE PERSONAL LIFE OF HIS PARISHIONERS, AND THE CHURCH HIERARCHY, TREADING A DELICATE DIPLOMATIC TIGHTROPE. WYSZYNSKI WOULD NOT HAVE PERMITTED SUCH DISARRAY; BUT GLEMP HAS ONLY BEEN PRIMATE FOR SIX MONTHS.

5. THE MILITARY AUTHORITIES, ANXIOUS TO FIND SOMEONE TO TALK TO IN THEIR QUEST FOR A POLITICAL BRIDGE TO A NEW SORT OF POLAND, ARE CLEARLY TRYING TO ENMESH THE CHURCH IN SOME FORM OF NEGOTIATION. JARUZELSKI NEEDS THE RESPECTABILITY THAT ONLY THE CHURCH CAN CONFER. FOR ITS PART THE CHURCH WILL BE SEEKING TO AVOID ANY MOVE WHICH WOULD COMMIT ITS SUPPORT TO A SPECIFIC PROCESS. TO PROMISE UNEQUIVOCAL, OR EVEN HEAVILY QUALIFIED, SUPPORT FOR THE REGIME WOULD PREJUDICE THE CHURCH IN THE EYES OF THE POLISH PEOPLE.

6. ALL THESE CONSIDERATIONS HELP TO EXPLAIN THE VARIOUS SHIFTS OF EMPHASIS AND EVEN APPARENT INCONSISTENCIES IN THE CHURCH'S ACTIVITY SINCE 13 DECEMBER. GLEMP'S IMMEDIATE REACTION TO THE MILITARY TAKE OVER WAS TO COUNSEL MODERATION IN AN ATTEMPT TO AVOID BLOODSHED. HIS SERMON ON 13 DECEMBER OFFENDED MANY OF HIS BISHOPS AND HIS PRIESTS SO THAT HIS SUBSEQUENT PUBLIC MESSAGES WERE MORE CAREFULLY BALANCED. A PERIOD OF INTENSE NEGOTIATION ENSUED, WITH THE CHURCH SEEKING TO GET SOLIDARITY AND THE AUTHORITIES TALKING TOGETHER. BUT THE PRECONDITIONS LAID DOWN BY BOTH SIDES PROVED TOO MUCH. THE CONTINUING SEVERITY OF MARTIAL LAW RESTRICTIONS THEN FORCED GLEMP INTO HIS STRONG EPIPHANY SERMON WHICH RE-ESTABLISHED HIS CREDENTIALS WITH SOCIETY AND EMPHASISED TO JARUZELSKI WHERE THE CHURCH STOOD. IT ALSO COUNTER BALANCED THE CONCESSION THAT GLEMP MADE IN MEETING JARUZELSKI OVER THE WEEKEND WITHOUT WALESA.

7. ARCHBISHOP GLEMP IS A SUBTLE OPERATOR WHO WILL NOW PLAY A CAREFUL POLITICAL GAME IN THE HOPE THAT EVENTUALLY IT WILL LEAD POLAND OUT OF MARTIAL LAW. THERE DOES NOT SEEM TO BE ANY MAJOR INITIATIVE HE CAN TAKE AND SO HE IS LIKELY TO CONTINUE TO RESTATE THE CHURCH'S OBJECTIVES FIRMLY. THE CHURCH WILL PURSUE A CAUTIOUS LINE, TAKING GREAT CARE NOT TO CONFER ANY RESPECTABILITY ON THE AUTHORITIES' ACTIONS. BY THE SAME TOKEN, HOWEVER, THE CHURCH IS UNLIKELY TO ENDORSE ANY REAFFIRMATION BY THE EXTREME SOLIDARITY LEADERSHIP OF THE STRONG STAND WHICH THEY WERE TAKING BEFORE 13 DECEMBER. THE ATTITUDE OF THE POLISH CHURCH OVER THE NEXT FEW MONTHS WILL BE DICTATED BY ITS DILCULATION OF ITS LONG TERM AQMS. THIS CROWDED PERIOD OF CURRENT EVENTS REPRESENTS ONLY A VERY SHORT MOMENT IN THE HISTORY OF THE CATHOLIC CHURCH IN POLAND.

CONFIDENTIAL

8. IF THE ABOVE ASSESSMENT IS CORRECT, THERE IS ONE IMPORTANT CONSEQUENCE FOR THE WEST. WE HAVE REPEATEDLY STATED OUR HOPE THAT THE MILITARY AUTHORITIES WILL RESUME THEIR DIALOGUE NOT JUST WITH THE POLISH PEOPLE BUT WITH THE MAIN REPRESENTATIVE OF THE PEOPLE - THE CHURCH AND SOLIDARITY. IT MAY HOWEVER BE A MISTAKE CONSTANTLY TO EQUATE THE CHURCH AND SOLIDARITY OR TO LINK THEM TOO CLOSELY. GLEMP HAS NOW DECIDED, FOR INSTANCE, TO GO IT ALONE IN THE NEGOTIATIONS WITH JARUZELSKI. THIS DOES NOT MEAN THAT HE EITHER WANTS, OR CAN AFFORD, TO ABANDON THE MODERATE SOLIDARITY LEADERSHIP AND PARTICULARLY WALESA. BUT IT IS POSSIBLE THAT, AT SOME STAGE PROBABLY NOT UNTIL THE RELEASE OF ALL INTERNEES AND THE RESUMPTION OF DIALOGUE, HE MAY CALCULATE THAT THE CHURCH'S RELIGIOUS AND PASTORAL PRIORITIES NECESSITATE THE CHURCH PUTTING PRESSURE ON SOLIDARITY TO DITCH ITS MORE EXTREMIST ADVISERS SUCH AS KURON.

FCO PLEASE PASS - SAVING ADDRESSEES.

MELHUISH

(REPEATED AS REQUESTED)

POLAND SPECIAL
STANDARD

EESD
CSCE UNIT
NAD
SED
WED
ECD (E)
ESID
FED
CAD
SAD

OND
TRED
ERD
SEC D
OLA
CONS D
CONS EM UNIT
CABINET OFFICE

ADDITIONAL DISTN.
POLAND SPECIAL

[COPIES SENT TO NO 10 DOWNING ST]

3

CONFIDENTIAL

CONFIDENTIAL

GR 240

CONFIDENTIAL

FM HQ LY SEE 141424Z JAN 82

TO PRIORITY FCO
TELEGRAM NO. 003 OF 14 JAN 82
INFO PRIORITY WARSAW

POLAND

1. I DISCUSSED POLAND BRIEFLY WITH THE SOSTITUTO THIS MORNING. HE TOLD ME HE THOUGHT THAT WE WERE AT THE END OF THE FIRST PHASE OF THE RE-ESTABLISHMENT OF CONTROL BY THE SOVIET UNION. THE VATICAN HAD NO DOUBT THAT THE SOVIET UNION WAS BEHIND ALL THAT HAD HAPPENED SINCE 13 DECEMBER. MONSIGNOR MARTINEZ WENT ON TO SAY THAT HE THOUGHT PHASE TWO WOULD BE MARKED BY SOME FORM OF POPULAR REACTION. TEN MILLION POLES WERE NOT GOING TO FORGET THE ACHIEVEMENTS OF SOLIDARITY IN A MONTH.
2. MONSIGNOR SILVESTRINI HAS TOLD MY BELGIAN COLLEAGUE IN HIS CAPACITY AS REPRESENTATIVE OF THE PRESIDENCY THAT THE VATICAN CONTINUE TO REGARD THE POLISH SITUATION AS VERY SERIOUS. IN THE LIGHT OF IT THEY WOULD LIKE THE DATE OF THE MADRID CSCE REVIEW MEETING TO BE ADVANCED AND POLAND TO BE ON THE AGENDA.
3. NICHOLS OF THE TIMES TOLD ME THAT HE HAD LEARNED FROM A SOLIDARITY MEMBER WHO WAS IN PARIS ON 13 DECEMBER THAT THE CHURCH COULD NOT RISK ITS PRESTIGE FOR VERY LONG IN SUPPORTING JARUZELSKI. HE THOUGHT THAT AFTER THE INITIAL SHOCK RESISTANCE WOULD BECOME MORE DETERMINED AND WOULD SPREAD. HE SAID THAT THE GOVERNMENT WERE TRYING TO LIMIT CONTACT ON THE FACTORY FLOOR BY ISOLATING WORK GROUPS AND CONSTRUCTING FENCES AND DIVISIONS WITHIN INDUSTRIAL AREAS.

HEATH

POLAND SPECIAL
STANDARD

EESD
CSCE UNIT
NAD
SED
WED
ECD (E)
ESID
FED
CAD
SAD

UND
TRED
ERD
SEC D
OLA
CONS D
CONS EM UNIT
CABINET OFFICE

ADDITIONAL DISTN.
POLAND SPECIAL

[COPIES SENT TO NO 10 DOWNING ST]

THIS TELEGRAM
WAS NOT
ADVANCED

CONFIDENTIAL



CF
Foreign and Commonwealth Office

London SW1A 2AH

13 January 1982

Dear John,

Type please
102 13/1

Lord Erskine of Rerrick: Poland

/ I attach a draft reply to Lord Erskine of Rerrick, as requested in your letter of 8 January.

Yours ever,

(F N Richards)
Private Secretary

A J Coles Esq
10 Downing St

DSR 71 (Revised)

DRAFT: minute/letter/teleletter/despatch/note

TYPE: Draft/Final 1+

FROM:

Reference

PS/No 10

DEPARTMENT:

TEL. NO:

SECURITY CLASSIFICATION

TO:

Your Reference

Top Secret

The Lord Erskine of Rerrick
Strabo Ltd
Universal House
60 Buckingham Palace Road
London SW1W 0RR

Secret

Copies to:

Confidential

Restricted

Unclassified

PRIVACY MARKING

SUBJECT:

AID FOR POLAND

.....In Confidence

CAVEAT.....

Thank you for your letter of 7 January.

We have now had a ~~review~~ considered the

We find it

The scheme you outline is, in our view, entirely laudable and we do not ^{believe} see how any embarrassment ^{we} could possibly ^{and} attach, provided, as I said when we first discussed this on the telephone, that the meat reaches the Polish people, who need it, and is not diverted to the military authorities. Your ^{plan to make} intention of making the necessary arrangements through the Red Cross is the best way of ensuring this.

well

Good luck. I should be glad to know, in due course, how things go.

AS 13. / 1

Enclosures—flag(s).....

CONFIDENTIAL



Foreign and Commonwealth Office

London SW1A 2AH

13 January 1982

Dear John,

f.a.

MR 1P. /

I attach a copy of a letter to Lord Carrington from the American Embassy asking for support for a 'Day of Solidarity with the Polish People' which a number of unspecified American trade unions, church and other private groups are organising in the United States on 30 January.

In particular, the Americans have requested that the Prime Minister should make a statement in support of the American initiative and that UK television networks should be asked to give full coverage of the speeches and rallies that will be held in the United States and other Western countries on 30 January. We understand that similar messages have been sent to other NATO Governments and also to Tokyo and to Canberra.

In principle we see no reason why we should not advise the Prime Minister to give support to the American proposals. The US Ambassador has subsequently indicated to Sir M Palliser that the US Administration are taking their project very seriously (indeed we understand from the Embassy, that President Reagan supports it enthusiastically) and are looking for endorsement from their allies. We believe that there would be advantage in the Prime Minister sending a short message to the American organisers of this project. As far as UK television and media participation is concerned we can speak informally but obviously cannot direct them or take more formal action. But if the event is well organised at the US end they will want to cooperate for their own reasons. A message from the Prime Minister would also increase their interest in this event. Other interested church, trade union and private groups in the UK will also no doubt wish to play their part.

That said, it is however not clear from the US message what is the exact scope of the events planned for the 'Day of Solidarity with the Polish People' or which organisations or groups will take responsibility for the arrangements. Nor at present is it known which Western governments will be taking part.

Before committing ourselves to support the US proposals therefore we think it would be prudent to make some further enquiries in Washington and through the US Embassy here to ascertain some further details of the project. We are also taking urgent soundings with some of our partners to find out what their response is likely to be and what form any participation by them might take. As soon as we have further information on these points I will write again with recommendations.

/We

CONFIDENTIAL



We are in the meanwhile in close contact with the US Embassy and have assured them that we are urgently considering this request, and that in principle we would see no difficulty in submitting positive advice to the Prime Minister subject to clarification of the details.

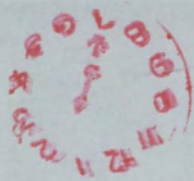
Yours ever,

(F N Richards)

Private Secretary

A handwritten signature in dark ink, appearing to be 'F N Richards', written over the typed name and title.

A J Coles Esq
10 Downing St

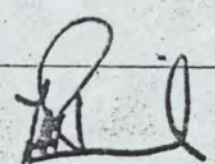


1982 JAN 13

OUT TELEGRAM

	Classification and Caveats CONFIDENTIAL	Precedence/Deskby IMMEDIATE
--	--	--------------------------------

ZCZC 1 ZCZC
 GRS 2 GRS
 CLASS 3 CONFIDENTIAL
 CAVEATS 4
 DESKBY 5
 FM FCO 6 FM FCO 121830Z JANUARY 82
 PRE/ADD 7 TO IMMEDIATE WASHINGTON
 TEL NO 8 TELEGRAM NUMBER
 9 ~~FOR INFO~~ ^{ROME} BONN, PARIS, UKDEL NATO (FOR INFORMATION)
 10 MIPT: DAY OF SOLIDARITY WITH THE POLISH PEOPLE
 11 1. Message from US Embassy begins:
 12 "Dear Foreign Secretary:
 13 I am writing to you on behalf of Ambassador Louis to transmit
 14 the following message from the Department of State, regarding a
 15 planned Day of Solidarity with the Polish people.
 16 "American labor, church, and other private groups are organizing
 17 a day of solidarity with the Polish people on January 30.
 18 Entitled "Light a Candle for the People of Poland", this day
 19 will show public concern and therefore reinforce our diplomatic
 20 efforts.
 21 We hope that Europeans will join in honoring the Polish
 22 people on the same day - as we have joined the European initiative
 23 for Afghanistan Day on March 21.
 24 In their public statement issued January 5, President Reagan
 25 drew Chancellor Schmidt's attention to this private initiative.

NNNN ends telegram	BLANK	Catchword The President appealed
File number	Dept eesd	Distribution Limited EESD Planning Staff News Dept Mr Fergusson Mr Bullard PS/IPS PS/Lord Trefgarne PS <i>PS/10 Downing St.</i>
Drafted by (Block capitals) Miss J Brown		
Telephone number 233 5667		
Authorised for despatch 		
Comcen reference	Time of despatch	

<<<<

1 <<<<
 2 The President appealed for public support for and participation
 3 in this expression of solidarity.
 4 Specific ideas for the day are still being developed. But
 5 the organizers envision rallies and fund-raising for private
 6 humanitarian assistance.
 7 Especially important will be statements by heads of
 8 government in support of the Polish people. President Reagan
 9 will make such a statement that day. This will be included
 10 in the special TV show reporting this event.
 11 Our unions and church groups are contacting yours. This will
 12 be primarily a non-governmental, non-partisan effort. Neverthe-
 13 less, your head of state and/or government may want to lend
 14 support to the organizing efforts of such groups, once they are
 15 underway. At this point, however, our unions would strongly
 16 prefer that you not approach any private groups. We will
 17 be in touch with you further about this.
 18 Television coverage will combine the visual images from the
 19 rallies and the statements from various leaders and create, in
 20 effect, a world-wide rally with significant impact.
 21 To assure the fullest possible impact of this important
 22 demonstration of solidarity with the people of Poland, we urge
 23 you to encourage your national TV network to provide full
 24 coverage of statements and other related events.
 25 All these events will be combined into one special TV
 26 program including the President's statement. We plan to have
 27 prominent American entertainers on this show, and we hope that
 28 your TV network will include prominent entertainers from your
 29 own country as well. The US TV producer of this program desires
 30 an edited segment from each country, not to exceed 10-15
 31 minutes, which includes rallies, performances, and statements
 32 by governmental and private spokesmen. This segment would be
 33 transmitted to the US via satellite on January 30 for inclusion
 34 in a combined US-European TV program of 1-2 hours to be

///

//

/

NNNN ends telegram	BLANK	Catchword transmitted
-----------------------	-------	--------------------------

OUT TELEGRAM (CONT)

Classification and Caveats
confidential

Page

23

<<<<

1 <<<<

2 transmitted via satellite to all participating countries
3 on January 31 at 1900-2100 hours GMT. We hope that you will be
4 able to arrange prime-time showing.

5 The national TV operations of participating countries should
6 be aware that all production and satellite transmission costs
7 incurred in producing the above-mentioned segment must be at
8 their expense, including up-~~leg~~ and down-leg costs of
9 transmitting the segment to the US on January 30, as well as the
10 down-leg costs of receiving the final combined US/European
11 program on January 31.

12 The time to organize this effort is very short. We need
13 commitments by government leaders that they will make public
14 statements and engage their national TV networks by Tuesday,
15 January 12 if at all possible.

16 We attach great political importance to this effort. Such
17 a gesture of mass solidarity with the Polish people will not only
18 represent a major expression of moral support that the Poles
19 badly need, but it will demonstrate to the Soviets and their
20 proxies that the crushing of human rights will cause them
21 political defeats elsewhere in the world. If they can be
22 impressed with this kind of public response, they may well
23 think twice before extenuating the rights of innocent people.
24 In addition, we must not forget that such an expression of
25 moral support would be a celebration of freedom our most cher-
26 ished value - and would serve as a much needed tonic for the
27 spirit of the West.

28 I have been asked to emphasize the necessity for a response
29 by January 12 regarding statements by government leaders and
30 cooperation of national TV networks.

31 We will be in contact further on this issue as plans
32 develop.

33 Sincerely,
34 Robert Morris

///

//

/

NNNN ends
telegram

BLANK

Catchword

Minister

XY 48 A

OUT TELEGRAM (CONT)

Classification and Caveats
CONFIDENTIAL

Page
4

<<<<

1 <<<<
2 Minister for Economic Affairs"
3
4 CARRINGTON
5 NNNN
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34

///
//
/

NNNN ends
telegram

BLANK

Catchword

XY 48 A



Foreign and Commonwealth Office

London SW1A 2AH

13 January 1982

Dear John,

Poland

You will have seen the Declaration issued at the NATO Foreign Ministers' meeting on 11 January. The Americans were grateful for the firm tone of its political language as well as for the willingness of those concerned (less the Greeks) to list the sort of measures which they could consider taking. The clear demonstration of unity will have disappointed the Soviet Union, who had hoped and worked for a major demonstration of disarray.

The pressure will now be on the European Allies to translate these words into action. This will not be easy. There is likely to be a series of meetings in the Community, the Ten and NATO with a view to reaching decisions in the week starting 25 January. Decisions which fall to be taken in the Community could be taken in the Foreign Affairs Council of 25/26 January. Other decisions which are for individual governments may be co-ordinated in discussions in the NATO framework (where there will be a follow-up Council meeting on 21 January), although we may have trouble with the French, and, for different reasons, the Irish. The biggest impact would be made if the decisions were all announced at the same time after a final co-ordinating session in the NATO Council. But we doubt if it will be possible to achieve this. Decisions taken in the Community become known almost immediately and some alliance members, and the Irish, may announce their national measures at times which suit them.

As far as Parliament is concerned, however, Lord Carrington believes we should aim at a statement immediately after the decisive session in NATO. He will return to this question if it proves impossible to co-ordinate in NATO and the Ten as tightly as he would like.

/For the time

A J Coles Esq
10 Downing Street



For the time being he does not think any new decisions are needed. Officials are proceeding on the basis of the decisions reached when Ministers met on 7 January and recorded in your letter of 8 January. I would, however, like to draw attention to the following points which have emerged in discussion in NATO and the Community.

Subsidised Food Sales to Poland

Discussion in Brussels on 12 January indicated, as expected, that the French would press hard for continued sales at special subsidised prices (ie 15% discount from normal prices), supported by credits from individual member states. It is not clear yet whether they will be able to rally majority support. The Germans gave hesitant backing. As Lord Carrington made clear at the meeting on 7 January, he is unhappy about further such subsidised sales in the present circumstances in Poland. But he does not propose to attempt to block them if the rest of the Community thinks otherwise, although he will continue to argue in favour of operating wherever possible through voluntary or church agencies, and in any case of obtaining the best assurances we can from the Polish authorities that the food will be going to the people for whom it is intended. He is not, however, in favour of providing any credit for UK suppliers to participate in any forthcoming Community offer, although there would of course be nothing to stop UK traders from selling food for cash - which the Poles seem ready to produce for at any rate one commodity (butter) - with the benefit of the special Community subsidy.

There seems to be general agreement within the Community on the principle of further humanitarian aid to Poland. Lord Carrington proposes to continue supporting this. He hopes, however, that it can be agreed that there can be no question of the cost of this humanitarian assistance falling upon the ODA budget, even if the Community finds it most convenient to use funds from the Community aid budget.

Gas Pipeline

The Americans have publicly taken all the steps necessary to apply the regulations they have published in a way which will prevent the execution of existing contracts. This emphasises the importance of discussions to reach agreement on the precise meaning of the undertaking "not to undermine the effects of each other's measures". It does seem, however, that the Americans understand European concerns and are aware of the determination of the Germans and others that major contracts already signed should be honoured. We shall, however, need to keep up the pressure and we shall report at once if it looks as if the Americans may not be prepared to be co-operative over this. It is of course possible that the US position may be tactical, ie that they want to see the Europeans deliver a package of measures comparable to those

/announced



announced by President Reagan on 29 December before they give way over the pipeline.

Non-Undermining

The commitment by all members of the Alliance not to undermine each other's measures has served an important political purpose, and has received a favourable public reaction. But we shall need to consider carefully how it is to be given practical effect with regard to future contracts.

Export Credits

It was agreed at NATO that we and others should examine "the conditions surrounding export credits" to the Soviet Union. The size of our credits depends on the volume of our existing and future exports and also on what trade measures towards the Soviet Union are finally agreed. We must try to ensure that we do not suffer more than other countries whose exporters make less use of official credits and guarantees.

One measure which Lord Carrington believes that we should consider is that members of the OECD Export Credit Consensus (which includes all major NATO members) should agree to up-grade the Soviet Union from the category of "intermediate" to "relatively rich", which is where it belongs. Not only would this reduce the export credit subsidies the Soviet Union receives; but it would also affect most NATO members equally. It would take time, but he believes we should press strongly for this.

I am sending copies of this letter to the Private Secretaries to the Chancellor of the Exchequer and the Secretaries of State for Industry, Trade and Agriculture, and to David Wright in the Cabinet Office.

Yours ever,

(F N Richards)
Private Secretary

RR ROME

IMMEDIATE

ADVANCE COPY

RR UKDEL NATO

Hd EESD

Mr Day

Hd NATO

Mr Ure

Hd Planning

RC

Hd News

Mr Bullard

Mr Fergusson

GR 500

CONFIDENTIAL

DESKBY 140900Z

FM WASHINGTON 132205Z JAN 82

TO IMMEDIATE F C O

TELEGRAM NUMBER 105 OF 13 JANUARY

INFO BONN, PARIS, ROME UKDEL NATO.

YOUR TELNO 37: DAY OF SOLIDARITY WITH THE POLISH PEOPLE

1. THE STATE DEPARTMENT HAVE GIVEN US THE FOLLOWING ANSWERS TO THE QUESTIONS IN PARA 3 OF YOUR TELEGRAM UNDER REFERENCE:

(A) SO FAR THE ONLY FIRM EVENT IN THE U S ON 30 JANUARY WILL BE A RALLY IN CHICAGO ORGANISED BY THE AFL/CIO, THE CATHOLIC CHURCH AND POLISH-AMERICAN GROUPS. HOWEVER EVENTS ELSEWHERE ARE LIKELY TO BE ARRANGED, INCLUDING SOME PRESIDENTIAL INVOLVEMENT SUCH AS A CANDLE-LIGHTING CEREMONY.

(B) THE AFL/CIO, THE CATHOLIC CHURCH AND POLISH AMERICAN GROUPS ARE PLAYING THE LEADING ROLES AMONG NON-GOVERNMENTAL ORGANISATIONS. HAIG WILL SEE A GROUP OF ALL THE U S RELIGIOUS LEADERS ON 18 JANUARY, WHEN SOLIDARITY DAY IS LIKELY TO BE DISCUSSED.

(C) ALL NATO COUNTRIES, THE JAPANESE, THE AUSTRALIANS, THE NEW ZEALANDERS AND THE POPE HAVE BEEN APPROACHED. THERE HAVE BEEN NO SUBSTANTIVE ANSWERS SO FAR (AND A PROMPTING TELEGRAM WILL GO TO U S POSTS TOMORROW). INITIAL REACTIONS HAVE VARIED BETWEEN THE POSITIVE AND THE GUARDED. THE ITALIANS AND NORWEGIANS HAVE BEEN ENTHUSIASTIC, THE FRENCH HAVE NOTED THAT DEMONSTRATIONS IN FAVOUR OF THE POLISH PEOPLE HAVE ALREADY OCCURRED IN FRANCE, AND THE GERMANS HAVE SEEMED QUOTE CONFUSED UNQUOTE.

(D) THE AFL/CIO ARE IN CONTACT, THROUGH THE ICFTU, WITH NATIONAL TRADES UNIONS INCLUDING THE TUC TO ESTABLISH WHAT THESE GROUPS COULD CONTRIBUTE.

(E) THE ADMINISTRATION, WHO WISH THE SOLIDARITY DAY TO BE SEEN AS A NON-GOVERNMENTAL EFFORT, ARE LIMITING THEIR INVOLVEMENT. APART FROM THE PRESIDENT'S STATEMENT ON 30 JANUARY, THEY ARE HELPING WITH THE ORGANISATION OF THE MAJOR TELEVISION PROGRAMME THE FOLLOWING DAY (SEE BELOW). USICA REPRESENTATIVES IN LONDON HAVE ALREADY BEEN GIVEN GUIDANCE ON THE MODALITIES FOR TRANSMITTING STATEMENTS/MESSAGES. IT IS HOPED THAT THESE CAN BE SENT BY SATELITE TO NEW YORK BY THE BBC, AS EXPLAINED IN THE STATE DEPARTMENT MESSAGE (YOUR TELNO 38).

2. THE STATE DEPARTMENT HAVE EMPHASISED THE IMPORTANCE ATTACHED HERE TO THE MAJOR TELEVISION PROGRAMME PLANNED FOR 31 JANUARY. (WICK, HEAD OF U S ICA, IS PLAYING THE LEAD ROLE WITHIN THE ADMINISTRATION IN ORGANISING THIS.) THE PROGRAMME WILL BE PRODUCED BY MARTIN PASSETTA (WHO PRODUCES THE ANNUAL OSCAR CEREMONY) AND IT IS HOPED THAT U S PERSONALITIES SUCH AS CHARLTON HESTON, KIRK DOUGLAS, JANE FONDA, JOAN BAE PLUS EUROPEAN ENTERTAINORS (EG YVES MONTAND) WILL TAKE PART. IN ADDITION, FORMER POLISH AMBASSADOR SPASOWSKI WILL SPEAK ABOUT POLISH HISTORY AND THERE WILL BE MUSIC RECITALS BY ROSTROPOVITCH AMONG OTHERS. STATEMENTS BY FOREIGN LEADERS AND FILM OF DEMONSTRATIONS THE PREVIOUS DAY WILL BE HIGHLIGHTED. THE STATE DEPARTMENT ARE CONFIDENT THAT THE PROGRAMME WILL NOT ONLY BE PROFESSIONAL, BUT SERIOUS AND DIGNIFIED.

3. THEY HAVE MADE THE POINT TO US THAT HITHERTO THE RUSSIANS HAVE EXPLOITED THE IMPACT ON PUBLIC OPINION OF TELEVISION REPORTING (DEMONSTRATIONS ETC) BETTER THAN THE WEST. NOT ONLY DO THEY SEE THE PRESENT PROGRAMME CONTRIBUTING TO A BETTER UNDERSTANDING OF CURRENT EAST/WEST ISSUES AND ENCOURAGING THE INTEREST OF YOUTH IN THE WEST. THEY BELIEVE IT COULD HAVE A HELPFUL EFFECT ON PUBLIC OPINION HERE, IN EMPHASISING THE UNIFIED RESPONSE OF THE ALLIANCE TO THE CRISIS IN POLAND.

THOMAS

NNNN

CONFIDENTIAL

FM FCO 131200Z JAN 82
TO IMMEDIATE WASHINGTON
TELEGRAM NUMBER 37 OF 13 JANUARY
AND TO BONN PARIS ROME
INFO UKDEL NATO

DAY OF SOLIDARITY WITH THE POLISH PEOPLE

1. MIFT GIVES THE TEXT OF A MESSAGE RECEIVED FROM THE US EMBASSY ON 8 JANUARY ASKING FOR OUR SUPPORT FOR A DAY OF SOLIDARITY WITH THE POLISH PEOPLE WHICH A NUMBER OF UNSPECIFIED AMERICAN TRADE UNIONS, CHURCH AND OTHER PRIVATE GROUPS ARE ORGANISING IN THE UNITED STATES ON 30 JANUARY. WE UNDERSTAND SIMILAR MESSAGES HAVE GONE TO ALL NATO GOVERNMENTS AND ALSO TO TOKYO AND CANBERRA.
2. IN PRINCIPLE WE SEE NO REASON WHY WE SHOULD NOT SUPPORT THE US PROPOSALS. THE US AMBASSADOR HERE HAS INDICATED THAT HIS ADMINISTRATION ARE TAKING THIS PROJECT VERY SERIOUSLY AND ARE LOOKING FOR SUPPORT FROM THEIR ALLIES (THE EMBASSY HAVE TOLD US THAT IT IS A PET IDEA OF PRESIDENT REAGAN PERSONALLY) WE ARE IN TOUCH WITH NO 10 ABOUT A POSSIBLE MESSAGE FROM THE PRIME MINISTER TO THE ORGANISERS OF THE EVENTS. IF SHE DECIDES TO SEND SUCH A MESSAGE THERE SHOULD ON THE FACE OF IT BE LITTLE DIFFICULTY OVER COOPERATION BY THE UK TELEVISION AND MEDIA, ALTHOUGH THIS WILL BE SOMETHING FOR THE LATTER TO DECIDE INDEPENDENTLY.
3. BEFORE UNDERTAKING ANY COMMITMENT TO SUPPORT US PROPOSALS WE BELIEVE IT WOULD BE PRUDENT TO ESTABLISH SOME FURTHER DETAILS AND ALSO THE DEGREE OF LIKELY SUPPORT FROM OUR MAJOR PARTNERS. GRATEFUL THEREFORE IF YOU WOULD ASK THE STATE DEPARTMENT FOR URGENT ANSWERS TO THE FOLLOWING QUESTIONS (WE ARE ALSO ASKING THE US EMBASSY HERE):
 - A. WHAT EVENTS ARE AT PRESENT ENVISAGED IN THE US ON 30 JANUARY WITHIN THE FRAMEWORK OF THE DAY OF SOLIDARITY WITH THE POLISH PEOPLE?
 - B. WHICH TRADE UNION/CHURCH/PRIVATE GROUP WILL TAKE RESPONSIBILITY FOR ORGANISING THE VARIOUS EVENTS FOR THIS PROJECT?
 - C. WHICH OTHER WESTERN GOVERNMENTS HAVE BEEN INVITED TO TAKE PART? WHAT HAS THEIR RESPONSE BEEN? WHAT FORM WILL THEIR PARTICIPATION TAKE?
 - D. HAVE OTHER WESTERN NON-GOVERNMENTAL ORGANISATIONS NOW BEEN APPROACHED TO TAKE PART? HOW LARGE A PARTICIPATION IS ENVISAGED?
 - E. WHAT WILL BE THE EXTENT OF US GOVERNMENT'S INVOLVEMENT?WE NOTE THAT PRESIDENT REAGAN WILL MAKE A STATEMENT ON POLAND ON 30 JANUARY. WHAT MODALITIES ARE ENVISAGED FOR TRANSMITTING STATEMENTS/MESSAGES MADE BY OTHER HEADS OF GOVERNMENT?
FOR BONN, PARIS AND ROME

CONFIDENTIAL

4. GRATEFUL IF YOU WOULD ESTABLISH URGENTLY WHETHER A SIMILAR REQUEST HAS BEEN RECEIVED BY HOST GOVERNMENTS AND IF SO, WHAT THEIR LIKELY RESPONSE WILL BE. IF ASKED, YOU MAY DRAW ON PARAGRAPH 2 ABOVE FOR GUIDANCE ON OUR VIEWS ON PROJECT.

5. (FOR ALL) IN VIEW OF ORIGINAL US DEADLINE OF 12 JANUARY FOR OUR RESPONSE TO THE REQUEST, GRATEFUL FOR ALL REPLIES BY IMMEDIATE DESKBY TELEGRAM AS SOON AS POSSIBLE.

CARRINGTON

LIMITED
EESD
PLANNING STAFF
NEWS D
PS
PS/LORD TREFGARNE
PS/FUS
MR BULLARD
MR FERGUSSON

[COPIES SENT TO NO 10 DOWNING ST.]

-2-

CONFIDENTIAL

919102 CONSUL G
825701 FCOHSP G

DIS 012

LDC NR 709/13

00 DISTRESSFCO

GR 60
UNCLASSIFIED
FM WARSAW 131450Z JAN 82
TO IMMEDIATE DISTRESS FCO
TELEGRAM NUMBER DISTRESS 10 OF 13 JANUARY

MISKIW. OUR DISTRESS 7 OF 12.1.82 REFERS.

1. MISKIW WAS RELEASED ON BAIL FROM PRISON TODAY, AND HAS BOOKED INTO THE GRAND HOTEL, WARSAW. HE APPEARS FIT AND WELL, AND IS KEEPING A VERY LOW PROFILE. HE SENDS HIS LOVE TO HIS FAMILY AND AMANDA.

2. COULD YOU PLEASE CHASE SUNDAY MIRROR ABOUT £1,000 DEPOSIT. TO COVER FINE, COSTS, ETC.

MELHUI SH

NNNN

ADVANCE COPY

CONFIDENTIAL

44455 - 1

OO WASHINGTON

GRS 748

CONFIDENTIAL

FM FCO 121830Z JAN 82

TO IMMEDIATE WASHINGTON

TELEGRAM NUMBER 38 OF 13 JANUARY

AND TO IMMEDIATE BONN PARIS ROME

INFO UKDEL NATO .

MIPT: DAY OF SOLIDARITY WITH THE POLISH PEOPLE

1. MESSAGE FROM US EMBASSY BEGINS:

'DEAR FOREIGN SECRETARY:

I AM WRITING TO YOU ON BEHALF OF AMBASSADOR LOUIS TO TRANSMIT THE FOLLOWING MESSAGE FROM THE DEPARTMENT OF STATE, REGARDING A PLANNED DAY OF SOLIDARITY WITH THE POLISH PEOPLE.

'AMERICAN LABOR, CHURCH, AND OTHER PRIVATE GROUPS ARE ORGANIZING A DAY OF SOLIDARITY WITH THE POLISH PEOPLE ON JANUARY 30.

ENTITLED 'LIGHT A CANDLE FOR THE PEOPLE OF POLAND', THIS DAY WILL SHOW PUBLIC CONCERN AND THEREFORE REINFORCE OUR DIPLOMATIC EFFORTS.

WE HOPE THAT EUROPEANS WILL JOIN IN HONORING THE POLISH PEOPLE ON THE SAME DAY - AS WE HAVE JOINED THE EUROPEAN INITIATIVE FOR AFGHANISTAN DAY ON MARCH 21.

IN THEIR PUBLIC STATEMENT ISSUED JANUARY 5, PRESIDENT REAGAN DREW CHANCELLOR SCHMIDT'S ATTENTION TO THIS PRIVATE INITIATIVE. THE PRESIDENT APPEALED FOR PUBLIC SUPPORT FOR AND PARTICIPATION IN THIS EXPRESSION OF SOLIDARITY.

SPECIFIC IDEAS FOR THE DAY ARE STILL BEING DEVELOPED. BUT THE ORGANIZERS ENVISION RALLIES AND FUND-RAISING FOR PRIVATE HUMANITARIAN ASSISTANCE.

ESPECIALLY IMPORTANT WILL BE STATEMENTS BY HEADS OF GOVERNMENT IN SUPPORT OF THE POLISH PEOPLE. PRESIDENT REAGAN WILL MAKE SUCH A STATEMENT THAT DAY. THIS WILL BE INCLUDED IN THE SPECIAL TV SHOW REPORTING THIS EVENT.

OUR UNIONS AND CHURCH GROUPS ARE CONTACTING YOURS. THIS WILL BE PRIMARILY A NON-GOVERNMENTAL, NON-PARTISAN EFFORT. NEVERTHE-
LESS, YOUR HEAD OF STATE AND/OR GOVERNMENT MAY WANT TO LEND

1

CONFIDENTIAL

1 SUPPORT

CONFIDENTIAL

44455 - 1

SUPPORT TO THE ORGANIZING EFFORTS OF SUCH GROUPS, ONCE THEY ARE UNDERWAY. AT THIS POINT, HOWEVER, OUR UNIONS WOULD STRONGLY PREFER THAT YOU NOT APPROACH ANY PRIVATE GROUPS. WE WILL BE IN TOUCH WITH YOU FURTHER ABOUT THIS.

TELEVISION COVERAGE WILL COMBINE THE VISUAL IMAGES FROM THE RALLIES AND THE STATEMENTS FROM VARIOUS LEADERS AND CREATE, IN EFFECT, A WORLD-WIDE RALLY WITH SIGNIFICANT IMPACT.

TO ASSURE THE FULLEST POSSIBLE IMPACT OF THIS IMPORTANT DEMONSTRATION OF SOLIDARITY WITH THE PEOPLE OF POLAND, WE URGE YOU TO ENCOURAGE YOUR NATIONAL TV NETWORK TO PROVIDE FULL COVERAGE OF STATEMENTS AND OTHER RELATED EVENTS.

ALL THESE EVENTS WILL BE COMBINED INTO ONE SPECIAL TV PROGRAM INCLUDING THE PRESIDENT'S STATEMENT. WE PLAN TO HAVE PROMINENT AMERICAN ENTERTAINERS ON THIS SHOW, AND WE HOPE THAT YOUR TV NETWORK WILL INCLUDE PROMINENT ENTERTAINERS FROM YOUR OWN COUNTRY AS WELL. THE US TV PRODUCER OF THIS PROGRAM DESIRES AN EDITED SEGMENT FROM EACH COUNTRY, NOT TO EXCEED 10-15 MINUTES, WHICH INCLUDES RALLIES, PERFORMANCES, AND STATEMENTS BY GOVERNMENTAL AND PRIVATE SPOKESMEN. THIS SEGMENT WOULD BE TRANSMITTED TO THE US VIA SATELLITE ON JANUARY 30 FOR INCLUSION IN A COMBINED US-EUROPEAN TV PROGRAM OF 1-2 HOURS TO BE TRANSMITTED VIA SATELLITE TO ALL PARTICIPATING COUNTRIES ON JANUARY 31 AT 1900-2100 HOURS GMT. WE HOPE THAT YOU WILL BE ABLE TO ARRANGE PRIME-TIME SHOWING.

THE NATIONAL TV OPERATIONS OF PARTICIPATING COUNTRIES SHOULD BE AWARE THAT ALL PRODUCTION AND SATELLITE TRANSMISSION COSTS INCURRED IN PRODUCING THE ABOVE-MENTIONED SEGMENT MUST BE AT THEIR EXPENSE, INCLUDING UP-LEG AND DOWN-LEG COSTS OF TRANSMITTING THE SEGMENT TO THE US ON JANUARY 30, AS WELL AS THE DOWN-LEG COSTS OF RECEIVING THE FINAL COMBINED US/EUROPEAN PROGRAM ON JANUARY 31.

THE TIME TO ORGANIZE THIS EFFORT IS VERY SHORT. WE NEED COMMITMENTS BY GOVERNMENT LEADERS THAT THEY WILL MAKE PUBLIC STATEMENTS AND ENGAGE THEIR NATIONAL TV NETWORKS BY TUESDAY, JANUARY 12 IF AT ALL POSSIBLE.

WE ATTACH GREAT POLITICAL IMPORTANCE TO THIS EFFORT. SUCH

2

CONFIDENTIAL

/A GESTURE

CONFIDENTIAL

44455 - 1

A GESTURE OF MASS SOLIDARITY WITH THE POLISH PEOPLE WILL NOT ONLY REPRESENT A MAJOR EXPRESSION OF MORAL SUPPORT THAT THE POLES BADLY NEED, BUT IT WILL DEMONSTRATE TO THE SOVIETS AND THEIR PROXIES THAT THE CRUSHING OF HUMAN RIGHTS WILL CAUSE THEM POLITICAL DEFEATS ELSEWHERE IN THE WORLD. IF THEY CAN BE IMPRESSED WITH THIS KIND OF PUBLIC RESPONSE, THEY MAY WELL THINK TWICE BEFORE EXTENUATING THE RIGHTS OF INNOCENT PEOPLE. IN ADDITION, WE MUST NOT FORGET THAT SUCH AN EXPRESSION OF MORAL SUPPORT WOULD BE A CELEBRATION OF FREEDOM OUR MOST CHERISHED VALUE - AND WOULD SERVE AS A MUCH NEEDED TONIC FOR THE SPIRIT OF THE WEST.

I HAVE BEEN ASKED TO EMPHASIZE THE NECESSITY FOR A RESPONSE BY JANUARY 12 REGARDING STATEMENTS BY GOVERNMENT LEADERS AND COOPERATION OF NATIONAL TV NETWORKS.

WE WILL BE IN CONTACT FURTHER ON THIS ISSUE AS PLANS DEVELOP.

SINCERELY,

ROBERT MORRIS

MINISTER FOR ECONOMIC AFFAIRS'

CARRINGTON

NNNN

X

DISTRIBUTION

LIMITED

[COPIES SENT TO NO 10 DOWNING ST.]

EESD

PLANNING STAFF

NEWS DEPT

PS

PS/LORD TREFGARNE

PS/PUS

MR BULLARD

MR FERGUSSON

3

CONFIDENTIAL

825701 FCOHSP G
919347 CONSUL G

DIS 10/13

PP WARSAW

GPS 43

UNCLASSIFIED
FROM CONSULAR DEPT LONDON 131600Z JAN
TO PRIORITY WARSAW
TEL NO DISTRESS 9 OF 13/1/82

YOUR DISTRESS NO 3.

ONE THOUSAND POUNDS DEPOSITED.
FOR OBVIOUS REASONS WE AND MIRROR ADVISE AGAINST MISKIW'S TALKING
TO PRESS BEFORE DEPARTURE. GRATEFUL DETAILS PRECISE CHARGE AGAINST
HIM.

NNNN
SENT JIM/1602Z
825701 FCOHSP G
919347 CONSUL G

M
919102 CONSUL G
825701 FCOHSP G

DIS 014

LDC NR 690/12

OO DISTRESSFCO

GRS 150
UNCLASSIFIED
FM WARSAW 121600Z JAN 82
TO IMMEDIATE DISTRESSFCO
TELEGRAM NUMBER DISTRESS 007 OF 12 JANUARY

OUR DISTRESS NO.3.: MISKIW

1. SENTENCE PASSED AS FOLLOWS:

A) 2 YRS IMPRISONMENT CONDITIONALLY SUSPENDED FOR 2 YRS:

B) ZLOTIES 70,000 FINE PLUS ZLOTIES 17,000 COSTS.

2. THE PUBLIC PROSECUTOR WHO ASKED FOR 4 YRS IMPRISONMENT HAS 7 DAYS IN WHICH TO APPEAL AGAINST SENTENCE. THIS SEEMS LIKELY BUT MISKIW'S ADVOCATE IS CONFIDENT THAT ANY APPEAL BY THE PROSECUTION WILL NOT BE UPHELD.

3. IN THE MEANTIME WE EXPECT MISKIW TO BE RELEASED ON BAIL TOMORROW PENDING A DECISION ON ANY APPEAL. IF ALL GOES WELL, HE SHOULD BE ABLE TO RETURN TO UK IN ABOUT ONE WEEK'S TIME.

4. WE HOPE TO SEE THE LAWYER WITH MISKIW ON THURSDAY TO DISCUSS ARRANGEMENTS FOR PAYING THE FINE, LAWYERS FEES ETC BUT IT WOULD SAVE TIME IF SUNDAY MIRROR COULD DEPOSIT £1000.00 WITH YOU ON A PROVISIONAL BASIS (IF AND WHEN MISKIW IS GIVEN THE GREEN LIGHT TO LEAVE WE DO NOT WANT HIS DEPARTURE HELD UP FOR LACK OF FUNDS).

MELHUI SH

NNNN

ADVANCE COPY

Peter Wilson
Sunday Mirror
informed 1700hrs
12.1.82
Will send draft for
£1000 13.1.82

MiskiW's father
informed
(but not para 2, 2nd sentence)
EESD 11

CONFIDENTIAL

CONFIDENTIAL

FM UKDEL NATO 111850Z JAN 82

TO IMMEDIATE FOREIGN AND COMMONWEALTH OFFICE,
TELEGRAM NUMBER 016 OF 11 JANUARY 1982,
INFO IMMEDIATE WASHINGTON, PARIS, BONN, MOSCOW, WARSAW,
INFO PRIORITY ALL OTHER NATO POSTS, UKMIS NEW YORK, UKMIS GENEVA,
UKREP BRUSSELS, MADRID,
INFO SAVING TOKYO, CANBERRA, WELLINGTON, PRAGUE, SOFIA, EAST
BERLIN, BUCHAREST, BUDAPEST, BELGRADE, STOCKHOLM, VIENNA, BERNE,
HELSINKI.

NATO MINISTERIAL MEETING : POLAND.

1. IN LESS THAN FOUR HOURS OF DISCUSSION - AND DESPITE ATROCIOUS WEATHER WHICH DELAYED SEVERAL MINISTERS (NOTABLY GENSCHER UNTIL LUNCHTIME AND MACGUIGAN TILL AFTER THE MEETING HAD ENDED) - MINISTERS AGREED ON A COMPREHENSIVE DECLARATION ON THE ALLIANCE POSITION (TEXT IN MIPT). ALL ALLIES EXCEPT ICELAND WERE REPRESENTED BY FOREIGN MINISTERS. GREEK DIFFICULTIES WERE MET BY FOOTNOTES INDICATING PORTIONS OF THE TEXT WHICH TTTTES COULD NOT SUBSCRIBE.

2. THIS WAS A SATISFACTORY OUTCOME WHICH WILL I HOPE DRAW THE STING OF THE PERSISTANT MEDIA ALLEGATIONS OF ALLIANCE DISARRAY. IT WAS BASED ON SOME INTENSIVE PRIOR CONSULTATION BEFOREHAND TO STIFFEN UP THE VERY WEAK LANGAUGE ON POSSIBLE MEASURES WHICH REPRESENTED THE MAXIMUM LEVEL OF AGREEMENT POSSIBLE IN THE DRAFT PREPARED BY DEPUTY PERMANENT REPRESENTATIVES OVER THE WEEKEND. YOU AND YOUR PARTY PLAYED A LEADING ROLE IN THESE CONSULTATIONS AND IN THE PROMOTION OF MORE SATISFACTORY LANGUAGE. IN THE END WE TABLED NEW LANGUAGE ON POLITICAL MEASURES AND THE AMERICANS ON ECONOMIC. WE ALSO TOOK THE INITIATIVE IN URGING DR LUNS TO FOCUS DISCUSSION FROM THE OUTSET ON THE DRAFT DECLARATION AND TO KEEP GENERAL STATEMENTS TO A MINIMUM. HE RESPONDED READILY AND ALL MINISTERS COOPERATED FULLY IN THIS. FURTHER TIME WAS SAVED BY RESERVING DISCUSSION OF THE PARAGRAPHS ON MEASURES TO THE COUNCIL ITSELF WHILE DEPUTIES FINALISED THE REST OF THE TEXT FOR LARGELY FORMAL APPROVAL BY MINISTERS.

3. THE DECLARATION REPRESENTS A FIRM AND CLEAR MESSAGE BOTH TO THE POLES AND THE SOVIET UNION THAT BUSINESS AS USUAL IS NOT POSSIBLE IN PRESENT CIRCUMSTANCES. THE THREE WESTERN REQUIREMENTS OF THE POLISH REGIME ARE RESTATED. (THERE WAS NO DISPOSITION TO GIVE JARUZELSKI MUCH CREDIT FOR THE RELAXATIONS ALREADY ANNOUNCED). THE ROLE OF THE SOVIET UNION IS CLEARLY RECOGNISED AND DEPLORED. THE DECLARATION OUTLINES A NUMBER OF FIELDS, BOTH POLITICAL AND ECONOMIC, IN WHICH ACTION IS BEING TAKEN OR IS TO BE FURTHER CONSIDERED, BOTH IN THE SHORTER AND THE LONGER TERMS. THE LAST CATEGORY INCLUDES ENERGY, AGRICULTURAL COMMODITIES AND TECHNOLOGY. IT REAFFIRMS AT THE SAME TIME THAT ARMS CONTROL DISCUSSIONS WILL CONTINUE. IT MAKES CLEAR THAT MEASURES WILL BE TAKEN ACCORDING TO NATIONAL POSSIBILITIES, AND THAT THERE WILL BE FULL AND CONTINUING CONSULTATION.

CONFIDENTIAL

14.

4. EVERY MINISTER CLEARLY RECOGNISED THE IMPORTANCE OF UNITY AND SPEED. YOU AND HAIG STRUCK A RESPONSIVE CHORD WHEN YOU URGED AT THE OUTSET THAT THE COUNCIL MUST AVOID TURNING A DEFEAT FOR THE EAST INTO ONE FOR THE WEST. THE ANALYSES OF THE MAJORITY OF MINISTERS OF WHAT THE DECLARATION SHOULD CONTAIN WERE VERY SIMILAR AND THE CAREFUL LANGUAGE OF OUR AND THE U S REVISED TEXTS HELPED TO SECURE MUCH READIER AGREEMENT ON MEASURES THAN COULD HAVE BEEN ANTICIPATED EVEN A FEW DAYS AGO.

5. NOTES OF DISCORD WERE FEW. AMERICAN/GERMAN DIVERGENCES WERE PARTLY BRIDGED IN THE CONSULTATIONS BEFORE REVISED TEXTS WERE CIRCULATED AND GENSCHER CLEARLY ATTACHED OVERRIDING IMPORTANCE TO AVOIDING ANY APPEARANCE OF DISUNITY. HALSTEDSBQC UHQIPLC WAS CAREFUL TO REPEAT THAT CANADA WAS READY TO DISCUSS BUT NOT TO DECIDE. HARALAMBOPOULOS (GREECE) CAME WITH FIRM INSTRUCTIONS NOT TO ACCEPT LANGUAGE CRITICAL OF THE COMMUNIST SYSTEM IN GENERAL, NOR SANCTIONS OF ANY KIND. HOWEVER HE READILY ACCEPTED LUNS' SUGGESTION THAT HE SHOULD SUBSCRIBE TO THE COMMUNIQUE AS A WHOLE AND EXPRESS SPECIFIC RESERVATIONS ON CERTAIN PASSAGES. GREEK/TURKISH ISSUES DID NOT SURFACE OPENLY. TURKMEN (TURKEY) COMPLAINED OF COMPARISONS MADE BY SOME ALLIES BETWEEN POLAND AND TURKEY. OLESEN (DENMARK) NONETHELESS SPOKE IN PRECISELY THIS VEIN THOUGH WITHOUT SPECIFYING TURKEY. STRAY (NORWAY), IN A REFRESHINGLY ROBUST INTERVENTION, THEN TOOK HIM TO TASK FOR SPEAKING IN THESE TERMS. WHAT WAS IMPORTANT WAS THAT EACH ALLY SHOULD SATISFY ITSELF THAT IT WAS NOT APPLYING DOUBLE STANDARDS.

6. IN RESPONSE TO A PORTUGUESE QUESTION HAIG CONFIRMED THAT AS OF NOW HE STILL EXPECTED TO MEET GROMYKO ON 27 JANUARY THOUGH THIS COULD BE AFFECTED BY DEVELOPMENTS IN THE MEANTIME. THE U S WANTED TO STAY IN COMMUNICATION WITH THE RUSSIANS. HE DID NOT HOWEVER SEE ANY EARLY SUMMIT MEETING IN PROSPECT.

7. IT WAS AGREED THAT THE COUNCIL WOULD MEET NEXT WEEK TO START THE FURTHER CONSIDERATION OF MEASURES FOR WHICH THE DECLARATION CALLED. IT IS NOT CLEAR HOW LONG THE AMERICANS WILL BE PREPARED TO ALLOW THIS PROCESS TO TAKE. HOWEVER, HORMATS GAVE BRIDGES THE IMPRESSION THAT THEY WOULD PROBABLY NOT SEEK TO PRESS WORK IN NATO TO A CONCLUSION BEFORE THE FOREIGN AFFAIRS COUNCIL ON 25 JANUARY. DELEGATIONS WILL BE FREE TO DECIDE ON APPROPRIATE SUPPORT FOR THIS WORK. CHEYSSON SAID FOR THE RECORD THAT HE COULD NOT ACCEPT ANY EXPANSION OF NATO COMPETENCE INTO THE ECONOMIC FIELD.

FCO PLEASE PASS SAVING TO TOKYO, CANBERRA, WELLINGTON, PRAGUE, SOFIA, EAST BERLIN, BUCHAREST, BUDAPEST, BELGRADE, STOCKHOLM, VIENNA, BERNE, HELSINKI.
ROSE

REPEATED AS REQUESTED

POLAND SPECIAL
STANDARD

EESD
CSCE UNIT
NAD
SED
WED
ECD (E)
ESID
FED
CAD
SAD

UND
TRED
ERD
SEC D
OLA
CONS D
CONS EM UNIT
CABINET OFFICE

ADDITIONAL DISTN.
POLAND SPECIAL

[COPIES SENT TO NO 10 DOWNING ST]

2
CONFIDENTIAL

POLAND: ADVANCE COPIES

26

PS
PS/LPS

PS/LORD REEFGARNE
PS/PUS
MR BULLARD
MR FERGISSON
SIR A ACLAND
MR GILLMORE
MR GOODISON

NO 10 DOWNING ST
ASSESSMENT STAFF
CABINET OFFICE
DIO CABINET OFFICE

HD/EESD (2)
HD/DEF D
HD/PUSD (2)
HD/WED *H.B. WID*
HD/ECOD(E)
HD/PLANNING STAFF
HD/NEWS D
HD/CONS-D
~~HD/CONS-EM-UNIT~~
RESIDENT CIEPK

IMMEDIATE

MS

UNCLASSIFIED

DESKBY 111900Z

FM UKDEL NATO 111740Z JAN 82

TO IMMEDIATE FOREIGN AND COMMONWEALTH OFFICE,

TELEGRAM NUMBER 015 OF 11 JANUARY 1982,

INFO IMMEDIATE WASHINGTON, PARIS, BONN, WARSAW, MOSCOW,

INFO PRIORITY ALL OTHER NATO POSTS, UKMIS NEW YORK, UKMIS GENEVA,

UKREF BRUSSELS, MADRID,

INFO SAVING TOKYO, CANBERRA, WELLINGTON, PRAGUE, SOFIA, EAST

BERLIN, BUCHAREST, BUDAPEST, BELGRADE, STOCKHOLM, VIENNA, BERNE,

HELSINKI.

NORTH ATLANTIC COUNCIL : POLAND.

1. THE FOLLOWING IS THE TEXT OF THE DECLARATION ON EVENTS IN POLAND
ISSUED FOLLOWING TODAY'S MEETING OF THE COUNCIL AT MINISTERIAL
LEVEL.

QUOTE:

1. THE ALLIED GOVERNMENTS CONDEMN THE IMPOSITION OF MARTIAL LAW IN POLAND AND DEMOUNCE THE MASSIVE VIOLATION OF HUMAN RIGHTS AND THE SUPPRESSION OF FUNDAMENTAL CIVIL LIBERTIES IN CONTRAVENTION OF THE UNITED NATIONS CHARTER, THE UNIVERSAL DECLARATION ON HUMAN RIGHTS AND THE FINAL ACT OF HELSINKI.

2. THE PROCESS OF RENEWAL AND REFORM WHICH BEGAN IN POLAND IN AUGUST 1980 WAS WATCHED WITH SYMPATHY AND HOPE BY ALL WHO BELIEVE IN FREEDOM AND SELF-DETERMINATION; IT RESULTED FROM A GENUINE EFFORT BY THE OVERWHELMING MAJORITY OF THE POLISH PEOPLE TO ACHIEVE A MORE OPEN SOCIETY IN ACCORDANCE WITH THE PRINCIPLES OF THE FINAL ACT OF HELSINKI.

3. THE IMPOSITION OF MARTIAL LAW, THE USE OF FORCE AGAINST POLISH WORKERS, WITH THE THOUSANDS OF INTERMENTS, THE HARSH PRISON SENTENCES AND THE DEATHS THAT FOLLOWED, HAVE DEPRIVED THE POLISH PEOPLE OF THEIR RIGHTS AND FREEDOMS, IN PARTICULAR IN THE FIELD OF TRADE UNIONS. THESE ACTS THREATEN TO DESTROY THE BASIS FOR RECONCILIATION AND COMPROMISE WHICH ARE NECESSARY TO PROGRESS AND STABILITY IN POLAND. THEY ARE IN CLEAR VIOLATION OF POLISH COMMITMENTS UNDER THE HELSINKI FINAL ACT, PARTICULARLY THE PRINCIPLE RELATING TO RESPECT FOR HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS. DEVELOPMENTS IN POLAND DEMONSTRATE ONCE AGAIN THE RIGIDITY OF THE WARSAW PACT REGIMES WITH RESPECT TO THOSE CHANGES NECESSARY TO MEET THE LEGITIMATE ASPIRATIONS OF THEIR PEOPLES. THIS ENDANGERS PUBLIC CONFIDENCE IN CO-OPERATION BETWEEN EAST AND WEST AND SERIOUSLY AFFECTS INTERNATIONAL RELATIONS.

4. THE ALLIES DEPLORE THE SUSTAINED CAMPAIGN MOUNTED BY THE SOVIET UNION AGAINST EFFORTS BY THE POLISH PEOPLE FOR NATIONAL RENEWAL AND REFORM, AND ITS ACTIVE SUPPORT FOR THE SUBSEQUENT SYSTEMATIC SUPPRESSION OF THOSE EFFORTS IN POLAND. THESE ACTS CANNOT BE RECONCILED WITH THE SOVIET UNION'S INTERNATIONAL UNDERTAKINGS, AND IN PARTICULAR WITH THE PRINCIPLES OF THE FINAL ACT OF HELSINKI, ESPECIALLY THOSE DEALING WITH SOVEREIGNTY, NON-INTERVENTION, THREAT OF FORCE, AND SELF-DETERMINATION. THE SOVIET UNION HAS NO RIGHT TO DETERMINE THE POLITICAL AND SOCIAL DEVELOPMENT OF POLAND.

5. THE ALLIES CALL UPON THE POLISH LEADERSHIP TO LIVE UP TO ITS DECLARED INTENTION TO RE-ESTABLISH CIVIL LIBERTIES AND THE PROCESS OF REFORM. THEY URGE THE POLISH AUTHORITIES TO END THE STATE OF MARTIAL LAW, TO RELEASE THOSE ARRESTED, AND TO RESTORE IMMEDIATELY A DIALOGUE WITH THE CHURCH AND SOLIDARITY. ONLY WITH RECONCILIATION AND GENUINE NEGOTIATION CAN THE BASIC RIGHTS OF THE POLISH PEOPLE AND WORKERS BE PROTECTED AND THE POLISH PEOPLE...

~~DIALOGUE WITH THE CHURCH AND SOLIDARITY, ONLY WITH RESPECT TO THE~~
~~RELATION CAN THE BASIC RIGHTS OF THE POLISH PEOPLE~~
AND WORKERS BE PROTECTED, AND THE ECONOMIC AND SOCIAL PROGRESS OF
THE COUNTRY BE SECURED. POLAND COULD THEN EXPECT TO ENJOY FULLY
THE BENEFITS OF STABILITY IN EUROPE AND OF CONSTRUCTIVE POLITICAL
AND ECONOMIC RELATIONS WITH THE WEST.

6. THE ALLIES CALL UPON THE SOVIET UNION TO RESPECT POLAND'S
FUNDAMENTAL RIGHT TO SOLVE ITS OWN PROBLEMS FREE FROM FOREIGN
INTERFERENCE AND TO RESPECT THE CLEAR DESIRE OF THE OVERWHELMING
MAJORITY OF THE POLISH PEOPLE FOR NATIONAL RENEVAL AND REFORM.
SOVIET PRESSURE, DIRECT OR INDIRECT, AIMED AT FRUSTRATING THAT
DESIRE, MUST CEASE. THE ALLIES ALSO WARN THAT IF AN OUTSIDE ARMED
INTERVENTION WERE TO TAKE PLACE IT WOULD HAVE THE MOST PROFOUND
CONSEQUENCES FOR INTERNATIONAL RELATIONS.

7. IN THEIR COMMUNIQUE OF 11TH DECEMBER, 1981, NATO MINISTERS
REAFFIRMED THEIR COMMITMENT TO WORK FOR A CLIMATE OF CONFIDENCE AND
MUTUAL RESTRAINT IN EAST-WEST RELATIONS: WHAT HAS SINCE HAPPENED
IN POLAND HAS GREAT SIGNIFICANCE FOR THE DEVELOPMENT OF SECURITY
AND CO-OPERATION IN EUROPE. THE PERSISTENCE OF REPRESSION IN POLAND
IS ERODING THE POLITICAL FOUNDATION FOR PROGRESS ON THE FULL AGENDA
OF ISSUES WHICH DIVIDE EAST AND WEST.

8. THE ALLIES REMAIN COMMITTED TO THE POLICIES OF EFFECTIVE
DETERRENCE AND THE PURSUIT OF ARMS CONTROL AND IN PARTICULAR HAVE
WELCOMED THE INITIATIVES CONTAINED IN PRESIDENT REAGAN'S 18TH
NOVEMBER SPEECH. THE SOVIET UNION WILL BEAR FULL RESPONSIBILITY IF
ITS ACTIONS WITH REGARD TO POLAND AND ITS FAILURE TO LIVE UP TO
EXISTING INTERNATIONAL OBLIGATIONS DAMAGE THE ARMS CONTROL PROCESS.
A RETURN TO THE PROCESS OF REAL REFORMS AND DIALOGUE IN POLAND
WOULD HELP CREATE THE ATMOSPHERE OF MUTUAL CONFIDENCE AND RESTRAINT
REQUIRED FOR PROGRESS IN NEGOTIATIONS IN THE FIELD OF ARMS CONTROL
AND LIMITATIONS, INCLUDING THE GENEVA TALKS ON INTERMEDIATE-RANGE
NUCLEAR FORCES DUE TO RESUME ON 12TH JANUARY.

9. IN VIEW OF THE GRAVE DEVELOPMENTS IN POLAND, WHICH CONSTITUTE
A SERIOUS VIOLATION OF THE HELSINKI FINAL ACT, THE ALLIES AGREED
THAT THE MADRID CONFERENCE SHOULD DEAL WITH THE SITUATION AS SOON
AS POSSIBLE AT THE LEVEL OF FOREIGN MINISTERS.

10. THE ALLIES WILL ALSO INTENSIFY THEIR EFFORTS TO BRING TO THE
ATTENTION OF WORLD PUBLIC OPINION AND INTERNATIONAL ORGANIZATIONS
INCLUDING THE UNITED NATIONS AND ITS SPECIALIZED AGENCIES SUCH AS
THE INTERNATIONAL LABOUR ORGANIZATION, THE VIOLATION OF HUMAN RIGHTS

THE INTERNATIONAL LEAGUE FOR HUMAN RIGHTS, THE VIOLATION OF HUMAN RIGHTS AND ACTS OF VIOLENCE IN POLAND.

11. EACH ALLY WILL IN ACCORDANCE WITH ITS OWN SITUATION AND LEGISLATION IDENTIFY APPROPRIATE NATIONAL POSSIBILITIES FOR ACTION IN THE FOLLOWING FIELDS:

- (A) FURTHER RESTRICTIONS ON THE MOVEMENTS OF SOVIET AND POLISH DIPLOMATS, AND OTHER RESTRICTIONS ON SOVIET AND POLISH DIPLOMATIC MISSIONS AND ORGANIZATIONS;
- (B) REDUCTION OF SCIENTIFIC AND TECHNICAL ACTIVITIES OR NON-RENEWAL OF EXCHANGE AGREEMENTS;

MEANWHILE THE ALLIES EMPHASIZE:

- THEIR DETERMINATION TO DO WHAT LIES IN THEIR POWER TO ENSURE THAT THE TRUTH ABOUT EVENTS IN POLAND CONTINUES TO REACH THE POLISH PEOPLE DESPITE THE OBSTACLES CREATED BY THE AUTHORITIES IN WARSAW AND MOSCOW IN DIRECT CONTRAVENTION OF THEIR OBLIGATIONS UNDER THE HELSINKI FINAL ACT;
- THEIR RESOLVE THAT THE EQUALITY OF THEIR RELATIONS WITH THE MILITARY REGIME IN POLAND SHOULD REFLECT THE ABNORMAL NATURE OF THE PRESENT SITUATION AND THEIR REFUSAL TO ACCEPT IT AS PERMANENT;
- THEIR WILLINGNESS TO CONTRIBUTE, WITH OTHER GOVERNMENTS, TO THE SOLUTION OF THE PROBLEM OF POLISH CITIZENS NOW ABROAD AND UNABLE OR UNWILLING TO RETURN TO THEIR OWN COUNTRY.

12. THE ALLIES RECOGNIZE THE IMPORTANCE OF ECONOMIC MEASURES TO PERSUADE THE POLISH AUTHORITIES AND THE SOVIET UNION OF THE SERIOUSNESS OF WESTERN CONCERN OVER DEVELOPMENTS IN POLAND, AND STRESS THE SIGNIFICANCE OF THE MEASURES ALREADY ANNOUNCED BY PRESIDENT REAGAN.

13. REGARDING ECONOMIC RELATIONS WITH POLAND, THE ALLIES:

- NOTED THAT FUTURE COMMERCIAL CREDITS FOR GOODS OTHER THAN FOODS WILL BE PLACED IN ABEYANCE;
- NOTED THAT THE QUESTION OF HOLDING NEGOTIATIONS ABOUT THE PAYMENTS DUE IN 1982 ON POLAND'S OFFICIAL DEBTS SHOULD, FOR THE TIME BEING, BE HELD IN SUSPENSE;

~~AFFIRMED~~ THEIR WILLINGNESS TO CONTINUE AND INCREASE HUMANITARIAN AID TO THE POLISH PEOPLE FOR DISTRIBUTION AND MONITORING BY NON-GOVERNMENTAL ORGANIZATIONS TO ENSURE THAT IT REACHES THE PEOPLE FOR WHOM IT IS INTENDED:

- NOTED THAT THOSE ALLIES WHICH SELL FOOD TO POLAND WILL SEEK THE CLEARST POSSIBLE POLISH COMMITMENTS WITH REGARD TO THE USE OF THE FOOD.

14. IN THE CURRENT SITUATION IN POLAND, RELATIONS WITH POLAND AND THE SOVIET UNION ARE BOUND TO BE AFFECTED. SOVIET ACTIONS TOWARDS POLAND MAKE IT NECESSARY FOR THE ALLIES TO EXAMINE THE COURSE OF FUTURE ECONOMIC AND COMMERCIAL RELATIONS WITH THE SOVIET UNION. RECOGNISING THAT EACH OF THE ALLIES WILL ACT IN ACCORDANCE WITH ITS OWN SITUATION AND LAWS, THEY WILL EXAMINE MEASURES WHICH COULD INVOLVE ARRANGEMENTS REGARDING IMPORTS FROM THE SOVIET UNION, MARITIME AGREEMENTS, AIR SERVICES AGREEMENTS, THE SIZE OF SOVIET COMMERCIAL REPRESENTATION AND THE CONDITIONS SURROUNDING EXPORT CREDITS.

15. THE ALLIES WILL MAINTAIN CLOSE CONSULTATIONS ON THE IMPLEMENTATION OF THEIR RESOLVE NOT TO UNDERMINE THE EFFECT OF EACH OTHER'S MEASURES.

16. IN ADDITION TO AGREEING TO CONSULT ON STEPS TO BE TAKEN IN THE NEAR FUTURE, THE ALLIES WILL ALSO REFLECT ON LONGER-TERM EAST-WEST ECONOMIC RELATIONS, PARTICULARLY ENERGY, AGRICULTURAL COMMODITIES AND OTHER GOODS, AND THE EXPORT OF TECHNOLOGY, IN LIGHT OF THE CHANGED SITUATION AND OF THE NEED TO PROTECT THEIR COMPETITIVE POSITION IN THE FIELD OF MILITARY AND TECHNOLOGICAL CAPABILITIES. UNQUOTE.

2. THERE ARE FOOTNOTES RECORDING GREEK RESERVATIONS ON THE PENULTIMATE SENTENCE OF PARAGRAPH 3 AND ON PARAGRAPHS 11, 12, 13, 14 AND 16.

3. COMMENT FOLLOWS.

FCO PLEASE PASS SAVING TO TOKYO, CANBERRA, WELLINGTON, PRAGUE, SOFIA, EAST BERLIN, BUCHAREST, BUDAPEST, BELGRADE, STOCKHOLM, VIENNA, DENN, HELSINKI.

ROSE.

CONFIDENTIAL

44156 - 1

OO UKDEL NATO DESKBY 120700Z

GRS 159

CONFIDENTIAL

DESKBY 120700Z

FM FCO 111615Z JAN 82

TO IMMEDIATE UKDEL NATO

TELEGRAM NUMBER 012 OF 11 JANUARY

INFO PRIORITY WASHINGTON, WARSAW, BRUSSELS

INFO SAVING ALL OTHER NATO POSTS, DUBLIN, UKREP BRUSSELS, UKMIS

NEW YORK, UKMIS GENEVA, MOSCOW

YOUR TELNOS. 11 AND 12

WESTERN ACCEPTANCE OF SOLIDARITY DETAINEES: TELECON MANNING/FELL

1. WE CONFIRM THAT THE US LETTER CAUSES US NO DIFFICULTIES.
2. LIKE THE AMERICANS WE WISH TO DO NOTHING TO EASE JARUZELSKI'S EMBARRASSMENT OVER THE DETENTION OF SOLIDARITY'S LEADERS, NOR ANYTHING THAT WOULD HELP HIM UNDERMINE THE COHESION OR CREDIBILITY OF SOLIDARITY.

2. BUT IF SOLIDARITY LEADERS ARE FORCED INTO EXILE AND ASK FOR REFUGE IN THE UK, SUBJECT TO NORMAL PROCESSING PROCEDURES WE WOULD ACCEPT THEM HERE. WE WOULD NOT, HOWEVER, WISH TO MAKE ANY STATEMENT INDICATING SUCH A WILLINGNESS NOT LEAST BECAUSE OF THE PROPAGANDA CAPITAL THE POLES AND RUSSIANS WOULD ALMOST CERTAINLY TRY TO MAKE OUT OF IT.

CARRINGTON

POLAND SPECIAL
STANDARD

EESD
CSCE UNIT
NAD
SED
WED
ECD (E)
ESID
FED
CAD
SAD
UNB

TRED
ERD
SEC D
OLA
CONS D
CONS EM UNIT
CABINET OFFICE

ADDITIONAL DISTN.
POLAND SPECIAL

[COPIES SENT TO NO 10 DOWNING ST]

COPIES TO:-
R A MACDOWALL HOME OFFICE,

1

CONFIDENTIAL

GRS 400

RESTRICTED

RESTRICTED

FM WARSAW 101525Z JAN 82

TO IMMEDIATE FCO

TELNO 076 OF 10TH JANUARY 1982

INFO IMMEDIATE UKDEL NATO.

INFO PRIORITY: MOSCOW, WASHINGTON, PARIS AND BONN.

INFO SAVING: EAST BERLIN, PRAGUE, BUDAPEST, MUDUK, SOFIA,
BUCHAREST, BELGRADE, HELSINKI, STOCKHOLM, UKMIS NEW YORK AND
UKREP BRUSSELS.

POLISH SITUATION,

1. AT A PRESS CONFERENCE GIVEN YESTERDAY BY URBAN, OBODOWSKI, DEPUTY PRIME MINISTER IN CHARGE OF ECONOMIC AFFAIRS, KRZAK, MINISTER OF FINANCE AND NESTOROWICZ, MINISTER OF FOREIGN TRADE, OBODOWSKI SAID THAT THE ECONOMY WAS IN A POOR STATE. IT WOULD TAKE A FEW YEARS AT LEAST TO PAY FOR THE ERRORS OF THE PAST. THE AGRICULTURAL SITUATION WAS PARTICULARLY BAD, BUT IN INDUSTRY REPORTS OF DIMINISHING SUPPLIES OF RAW MATERIALS WERE ALARMING. HE COMPLAINED THAT THE WEST HAD COMPOUNDED POLAND'S PROBLEMS BY FREEZING CREDITS. HE SAID POLAND'S DEBT NOW AMOUNTED TO 23.5 BILLION DOLLARS NOT INCLUDING ALL OF LAST YEAR'S FOOD PURCHASES. POLAND NEEDED 1.5 BILLION DOLLARS EACH QUARTER OF 1982 AND A RESPITE OF AT LEAST A YEAR FROM DEBT REPAYMENTS. URBAN SAID THAT THE PROCESS OF DEMOCRATISATION WOULD BE FURTHER HAMPERED IF POLAND DID NOT GET CREDITS FROM THE WEST. HE SAID THAT POLAND WOULD NOT SUCCEED TO POLITICAL PRESSURE FROM THE WEST. THE AUTHORITIES HAD SUFFICIENT MEANS TO SURVIVE BUT SOCIETY WOULD HAVE TO GO SHORT IF NECESSARY. PAINFUL AND SUBSTANTIAL PRICE INCREASES WERE INEVITABLE WITH HIGHER INCOME EARNERS BEARING THE MAIN BRUNT, SAID OBODOWSKI. KRZAK SAID THAT POLAND NEEDED A BRIDGING LOAN OF 350 MILLION DOLLARS OVER HALF A YEAR WHICH WESTERN BANKERS HAD SO FAR REFUSED.

2. AT THE PRESS CONFERENCE URBAN ALSO ANNOUNCED THAT THERE WOULD BE A SEJM SESSION ON 28 JANUARY AT WHICH JARUZELSKI WOULD GIVE A SPEECH ABOUT THE STATE OF THE NATION. THE SEJM WOULD ALSO CONFIRM THE COUNCIL OF STATE'S DECREE INTRODUCING MARTIAL LAW. HE ALSO SAID THAT POLAND WANTED TO CONTINUE ITS LINKS WITH THE WEST BECAUSE IT NEEDED WESTERN TECHNOLOGY. ONLY 0.7% OF CIVIL SERVANTS HAD DECLINED TO SIGN A PLEDGE OF LOYALTY AND LEAVE SOLIDARITY.

3. LATER YESTERDAY GLEMP MET JARUZELSKI. PAP ISSUED A SHORT COMMUNIQUE SAYING THAT THE TWO HAD EXCHANGED VIEWS ON THE CURRENT SITUATION AND HOPED THAT LIFE IN POLAND WOULD NORMALISE. THE REUTERS CORRESPONDENT HERE HAS TOLD US THAT HE HEARD FROM A GOOD SOURCE THAT THE MEETING WAS NOT A SUCCESS. GLEMP IS TO PREACH IN WARSAW LATER TODAY. THE CHURCH ALSO HELD A MEETING IN WARSAW YESTERDAY CHAIRED BY MIZIOLEK, ONE OF THE BISHOPS OF WARSAW. THE MEETING CONSIDERED WHAT THE CHURCH SHOULD DO ABOUT INTERNEES. MIZIOLEK IS TO VISIT THE SOUTH OF POLAND THIS WEEK.

RESTRICTED

RESTRICTED

4. TELEPHONES HAVE BEEN SWITCHED ON IN WARSAW TODAY FOR LOCAL CALLS WITHIN THE VOIVODSHIP ONLY. THE EMBASSY'S TELEX HAS BEEN RE-CONNECTED, ALTHOUGH FOREIGN CORRESPONDENTS' TELEXES HAVE NOT. BUT CENSORSHIP ON FOREIGN CORRESPONDENTS HAS BEEN LIFTED AND THEY CAN NOW FILE THROUGH INTERPRESS.

5. THE MFA HAVE TODAY INFORMED US THAT LARGE DIPLOMATIC PARTIES MAY NOW BE HELD. PROTOCOL DEPARTMENT OF THE MFA ARE "READY" TO FORWARD INVITATIONS TO POLISH CITIZENS. THIS DOES NOT SEEM TO CONSTITUTE AN OBLIGATION ON EMBASSIES TO INVITE POLES TO PARTIES THROUGH PROTOCOL BUT IT MAY BE A MOVE IN THAT DIRECTION.

FCO PLEASE PASS SAVING TO ALL SAVING ADDRESSEES

MELHUI SH

REPEATED AS REQUESTED

POLAND SPECIAL
STANDARD

EESD
CSCE UNIT
NAD
SED
WED
ECD (E)
ESID
FED
CAD
SAD

UND
TRED
ERD
SEC D
OLA
CONS D
CONS EM UNIT
CABINET OFFICE

ADDITIONAL DISTN.
POLAND SPECIAL

[COPIES SENT TO NO 10 DOWNING ST]

2
RESTRICTED

PRIME MINISTER

SUNDAY MIRROR/POLAND

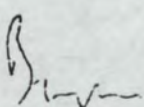
Victor Knight, political correspondent, Sunday Mirror, took me on one side after today's lobby to say that this weekend they would reveal that one of their reporters, Greg Miskiw, had been arrested in Poland. As a Polish speaker (he is of Ukrainian extraction), he was sent by his news editor to Vienna with instructions to try to get into Poland. He was not asked to go in illegally, but in an excess of zeal, he smuggled himself in on a mail train and was arrested before Christmas in Warsaw.

He has since been in prison and on Wednesday of this week pleaded guilty under martial law to illegal entry and threw himself upon the mercy of the Court. The case has been adjourned until next Tuesday.

The FCO is aware of the case and the acting editor and Victor Knight have seen Lord Trefgarne about it. The Sunday Mirror has no complaint about the consular assistance that has been given by the FCO and is quite clear that Miskiw has only himself to blame for his predicament.

The Sunday Mirror's expectation, on FCO advice, is that, notwithstanding that the minimum sentence under martial law for illegal entry is 3 years, Miskiw will be sentenced and then kicked out of Poland. We shall see.

In the meantime Bob Edwards, Editor of the Sunday Mirror, has asked that you should be informed. The newspaper story this weekend will be entirely factual and low key but it may well be taken up by other newspapers who have up to now acted upon the Sunday Mirror's request that they should not report Miskiw's arrest.


B. INGHAM

8 January 1982

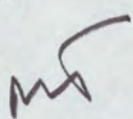
CONFIDENTIAL

FM UKDEL NATO 081705Z JAN 82

TO IMMEDIATE FOREIGN AND COMMONWEALTH OFFICE,

TELEGRAM NUMBER 012 OF 8TH JANUARY 1982, ..

INFO PRIORITY WASHINGTON, WARSAW, BRUSSELS,

INFO SAVING ALL OTHER NATO POSTS, DUBLIN, UKREP BRUSSELS, UKMIS
NEW YORK, UKMIS GENEVA, MOSCOW.WESTERN ACCEPTANCE OF SOLIDARITY DETAINEES. FOLLOWING IS TEXT OF U S LETTER.

BEGINS:

THE U S GOVERNMENT BELIEVES THAT THE ISSUE OF ACCEPTING SOLIDARITY DETAINEES, SHOULD THEY BE DEPORTED BY THE POLISH GOVERNMENT OR SHOULD THEY CHOOSE VOLUNTARY EXILE, WILL REQUIRE A COORDINATED WESTERN POSITION.

OUR IMMEDIATE CONCERN, HOWEVER, IS THAT WE AND OTHER WESTERN COUNTRIES DO NOT PLAY INTO THE POLISH REGIME'S DESIGNS BY STATEMENTS OR ACTIONS THAT CONTRIBUTE TO (A) DIVIDING THE LEADERSHIP GROUP WITHIN SOLIDARITY OR (B) UNDERMINING THE CREDIBILITY OF ANY SOLIDARITY LEADER OR GROUP WITHIN THE LEADERSHIP BY REINFORCING THE IMAGE OF HIS OR THEIR HAVING TOO CLOSE AN ASSOCIATION WITH WESTERN INTERESTS. ANY STATEMENT, WHETHER EXPRESSING A WILLINGNESS TO RECEIVE SOLIDARITY DETAINEES OR CRITICIZING THE JARUZELSKI REGIME FOR EXPATRIATING ITS CITIZENS, WOULD BE EXPLOITABLE BY THE REGIME AS EVIDENCE OF A SPECIAL AND PARTICULAR WESTERN INTEREST IN THE FATE OF SOME INDIVIDUAL OR GROUP WITHIN THE LEADERSHIP. MOREOVER, ANY NECESSARILY GENERAL STATEMENT BY WESTERN SPOKESMEN ON THIS SUBJECT COULD BE LINKED BY THE REGIME WITHIN POLAND TO WHATEVER GROUP IT WISHED TO DISCREDIT, BY SELECTING THAT GROUP FOR DEPORTATION OR VOLUNTARY EXILE.

OUR PRELIMINARY THINKING IS THAT THE WEST SHOULD NOT ALLEVIATE JARUZELSKI'S EMBARRASSMENT OVER THE DETENTION OF SOLIDARITY LEADERS AND SHOULD SO ACT AS TO PRESERVE THEIR CONTINUED RESIDENCE IN POLAND:

- (A) WE SHOULD NOT FACILITATE A DEPORTATION OF THESE PERSONS BY INDICATING IN ADVANCE OF THE ACT ITSELF THAT REFUGE WOULD BE PROVIDED:
- (B) SHOULD THE POLISH GOVERNMENT NEVERTHELESS CHOOSE TO DEPORT THEM OR FORCE THEM INTO "VOLUNTARY EXILE", WE SHOULD BE PREPARED TO ACCEPT THEM — AND TO RESPECT THEIR INDIVIDUAL WISHES AS TO COUNTRY OF RESETTLEMENT — BUT WE SHOULD NOT ADVERTISE THIS PUBLICLY:

CONFIDENTIAL

(C) WE SHOULD INCREASE THE ONUS OF ANY EXPATRIATION OF THESE PERSONS, ONCE IT HAS OCCURRED, BY DEPICTING THEIR DEPARTURE AS FORCED DEPORTATION (VOLUNTARY EXILE AS AN ALTERNATIVE TO A PRISON SENTENCE CONSTITUTES DEPORTATION); BUT WE SHOULD DO SO WITHOUT ESTABLISHING A PRECEDENT INHIBITING OUR SUBSEQUENT ACCEPTANCE OF OTHER POLITICAL DEPORTEES, OR OF SUCH OTHER FORCED EXPATRIATES AS, FOR EXAMPLE, SOLZHENITZYM.

ENDS.

FCO PLEASE PASS SAVING TO ANKARA, ATHENS, BONN, COPENHAGEN, .. THE HAGUE, LISBON, LUXEMBOURG, OSLO, OTTAWA, PARIS, REYKJAVIK, DUBLIN, UKREP BRUSSELS, UKMIS NEW YORK, UKMIS GENEVA, MOSCOW.

ROSE.

[REPEATED AS REQUESTED]

POLAND SPECIAL
STANDARD

ADDITIONAL DISTN.
POLAND SPECIAL

EESD
CSCE UNIT
NAD
SED
WED
ECD (E)
ESID
FED
CAD
SAD
JJD

TRED
ERD
SEC D
OLA
CONS D
CONS EM UNIT
CABINET OFFICE

[COPIES SENT TO NO 10 DOWNING ST]

CONFIDENTIAL

CONFIDENTIAL

GRS 110

CONFIDENTIAL

FM UKDEL NATO 081740Z JAN 82

TO IMMEDIATE FOREIGN AND COMMONWEALTH OFFICE,

TELEGRAM NUMBER 011 OF 8TH JANUARY 1982,

INFO PRIORITY WASHINGTON, WARSAW, BRUSSELS,

INFO SAVING ALL OTHER NATO POSTS, DUBLIN, UKREP BRUSSELS, UKMIS

NEW YORK, UKMIS GENEVA, MOSCOW.

WESTERN ACCEPTANCE OF SOLIDARITY DETAINEES.

1. MIFT SETS OUT THE TERMS OF A US CIRCULAR LETTER ADDRESSED TO ALL DELEGATIONS HERE TODAY.

2. THIS HAS BEEN CIRCULATED AT POLITICAL COMMITTEE LEVEL. THERE IS NO INDICATION AT PRESENT THAT THE AMERICANS INTEND TO RAISE IT AT THE MINISTERIAL MEETING ON 11 JANUARY. THOUGH THEIR DELEGATION SAY THAT WASHINGTON WERE ANXIOUS THAT OTHER ALLIES SHOULD KNOW THEIR VIEWS BEFORE THAT MEETING. THE MOST PROBABLE OCCASION FOR A PRELIMINARY EXCHANGE OF VIEWS IS THE POLITICAL COMMITTEE MEETING BEGINNING AT 0930Z ON 12 JANUARY. IF YOU HAVE ANY INITIAL COMMENTS AND REACTIONS WE COULD DEPLOY THEM THEN.

FCO PLEASE PASS SAVING TO ANKARA, ATHENS, BONN, CORENHAGEN, THE HAGUE, LISBON, LUXEMBOURG, OSLO, OTTAWA, PARIS, REYKJAVIK, DUBLIN, UKREP BRUSSELS, UKMIS NEW YORK, UKMIS GENEVA, MOSCOW.

ROSE.

[PASSED AS REQUESTED]

POLAND SPECIAL
STANDARD

EESD
CSCE UNIT
NAD
SED
WED
ECD (E)
ESID
FED
CAD
SAD

UND
TRED
ERD
SEC D
OLA
CONS D
CONS EM UNIT
CABINET OFFICE

ADDITIONAL DISTN.
POLAND SPECIAL

[COPIES SENT TO NO 10 DOWNING ST]

CONFIDENTIAL

Poland

GR 420

CONFIDENTIAL

CONFIDENTIAL

FM UKDEL NATO 081245Z JAN 82

TO IMMEDIATE FCO

TELNO 10 OF 8 JANUARY 1982

INFO IMMEDIATE ATHENS, WASHINGTON, PRIORITY BONN, PARIS, UKREP
BRUSSELS

mt

ATHENS TELNO 6: GREEK ATTITUDE TOWARDS POLAND.

1. A REPRESENTATIVE OF THE GREEK DELEGATION HAS SAT IN ON THE SPC DISCUSSIONS ON THE DRAFT COMMUNIQUE TO BE ISSUED AFTER THE FOREIGN MINISTERS' MEETING ON 11 JANUARY. HIS SOLE CONTRIBUTION AT YESTERDAY'S MEETING HOWEVER WAS TO SAY THAT HE HAD NO INSTRUCTIONS BUT SENSED TROUBLE. I UNDERSTAND FROM MY GREEK COLLEAGUE THAT HARALAMBOPOULOS WILL ATTEND THE MEETING ON 11 JANUARY, BUT WILL HAVE FIRM INSTRUCTIONS TO RESIST THE INCLUSION IN THE COMMUNIQUE OF ANYTHING WHICH INVOLVES CONDEMNATION OF THE RUSSIANS. SEKERIS, WHO MAKES LITTLE ATTEMPT TO DISGUISE HIS PERSONAL DISAGREEMENT WITH THIS LINE (AND IS BEING TRANSFERRED, THIS TIME TO LISBON, ON 15 JANUARY) ASKED HOW I THOUGHT IT WOULD BE RECEIVED. SPEAKING PERSONALLY, I SAID IT WOULD BE RECEIVED BADLY. HOWEVER IMPORTANT IT WAS TO DEMONSTRATE ALLIANCE UNANIMITY, THERE WAS A LIMIT TO THE EXTENT TO WHICH WE WOULD BE ABLE TO COMPROMISE IN ORDER TO ACCOMMODATE THE VIEWS OF ONE MEMBER WHICH WERE SO CLEARLY OUT OF LINE WITH THOSE OF THE REST.

2. WE NEED TO CONSIDER WHAT LINE WE SHOULD TAKE OVER THE COMMUNIQUE. THERE ARE TWO
POSSIBILITIES: - EITHER THE GREEKS MAY REFUSE TO BE ASSOCIATED WITH ANYTHING IN IT SEMI COLON OR THEY MAY DISSOCIATE THEMSELVES FROM SPECIFIC PARAGRAPHS.

3. IN THE FORMER CASE, WE HAVE THREE OPTIONS:-
(i) NOT TO ISSUE A COMMUNIQUE, AS IN THE CASE OF THE DPC LAST MONTH. THIS IS CLEARLY OUT OF THE QUESTION.
(ii) TO IGNORE GREECE AND TO ISSUE A COMMUNIQUE ON BEHALF OF THE 14. THIS WOULD SET AN UNDESIRABLE PRECEDENT AND SHOULD BE AVOIDED IF AT ALL POSSIBLE.
(iii) TO ISSUE A COMMUNIQUE ON BEHALF OF ALL 15, BUT TO INCLUDE A SENTENCE IN EITHER THE FIRST OR LAST PARAGRAPH TO THE EFFECT THAT GREECE, WHO WAS AT THE MEETING, DISSOCIATED HERSELF FROM IT.

CONFIDENTIAL

/MY PREFERENCE

CONFIDENTIAL

MY PREFERENCE WOULD BE FOR (III), WITH (II) AS A FALL-BACK. IN EITHER CASE THE SPOT LIGHT WOULD BE ON GREECE AS THE ODD MAN OUT IN THE ALLIANCE AND THE ESSENTIAL OBJECTIVE OF DEMONSTRATING THE SOLIDARITY OF THE REST WOULD BE ACHIEVED.

4. IF HOWEVER THE GREEKS WERE TO DISSOCIATE THEMSELVES FROM CERTAIN PARAGRAPHS AND WE CANNOT FIND AN ACCEPTABLE COMPROMISE WHICH THEY ARE ABLE TO SUPPORT, WE SHOULD IN MY VIEW INCORPORATE THEIR RESERVATION IN THE PARAGRAPH CONCERNED. BUT WE SHOULD NOT ALLOW THEM TO DISGUISE THEIR RESERVATION UNDER THE CLOAK OF ANONYMITY (E.G. QUOTE ONE MEMBER WISHED TO BE DISSOCIATED FROM THIS POSITION UNQUOTE) OR TO ENJOY THE LUXURY OF A STATEMENT OF THEIR REASONS.

ROSE

POLAND SPECIAL
STANDARD

EESD
CSCE UNIT
NAD
SED
WED
ECD (E)
ESID
FED
CAD
SAD
UND

TRED
ERD
SEC D
OLA
CONS D
CONS EM UNIT
CABINET OFFICE

ADDITIONAL DISTN.
POLAND SPECIAL

[COPIES SENT TO NO 10 DOWNING ST]

2
CONFIDENTIAL

GRS 370

CONFIDENTIAL

CONFIDENTIAL

FM UKMIS GENEVA 081140Z JAN 82

TO IMMEDIATE FCO

TELNO 005 OF 8 JANUARY 1982

INFO IMMEDIATE UKDEL NATO, ROUTINE UKREP BRUSSELS, WARSAW,
WASHINGTON

INFO SAVING PARIS, BONN, MOSCOW, UKMIS NEW YORK, ROME, BRUSSELS

MIPT AND OUR TELNO 479

THE RED CROSS AND POLAND

1. AT A MEETING OF PERMANENT REPRESENTATIVES OF THE TEN ON 7 JANUARY THE BELGIAN CHAIRMAN REPORTED HIS RECENT CONVERSATION WITH HAY, PRESIDENT OF THE ICRC.
2. ACCORDING TO HAY THE JOINT ICRC/LEAGUE OF RED CROSS SOCIETIES TEAM IN WARSAW HAD BEEN WELL RECEIVED AND WAS NOW INSTALLED ON A PERMANENT BASIS, THE FIRST SUCH CASE IN AN EASTERN EUROPEAN COUNTRY. ONE OF THE TEAM HAD BEEN ABLE TO VISIT GDANSK. MORE FOOD AND MATERIAL ASSISTANCE WAS REQUIRED, AND THE ICRC WOULD ISSUE A FURTHER APPEAL SHORTLY. BUT THEIR FIRST PRIORITY WAS TO GAIN ACCESS TO DETAINEES. HE HOPED THE TEN WOULD BE READY TO SUPPORT ICRC'S CASE DISCREETLY TO THE POLES, STRESSING THAT THE ICRC'S MOTIVE WAS PURELY HUMANITARIAN, IN CONTRAST TO THE MORE POLITICAL COLOURING OF AN ILO VISIT. I MENTIONED OUR SIMILAR TALK WITH HOCKE, ICRC DIRECTOR OF OPERATIONS. HOCKE TOO HAD STRESSED THE NEED FOR RAPID PROGRESS: UNLESS ICRC COULD GAIN EARLY ACCESS TO THE DETAINEES, THE POLISH AUTHORITIES MIGHT RELEASE SOME AND LABEL THE REST AS COMMON CRIMINALS. A SECOND PROBLEM FOR THE RED CROSS WAS HOW TO ASSESS THE POLITICS OF THE SITUATION. THE ICRC WOULD WELCOME ANY GUIDANCE FROM OUR GOVERNMENTS ON THE OUTLOOK, THE NATURE OF THE MILITARY REGIME AND OUR EXCHANGES WITH IT.
3. THE ITALIAN STRESSED THE IMPORTANT ROLE OF THE CHURCH. THE COMMISSION SAID THAT THE EC FOOD AID PROGRAMME DEPENDED ON CLOSE COOPERATION WITH THE POLISH EPISCOPATE. 23 TRUCKS WITH SOME 620 TONNES OF SUPPLIES WOULD START LEAVING FOR POLAND ON 8 JANUARY.

CONFIDENTIAL

/4. THERE WAS

CONFIDENTIAL

4. THERE WAS GENERAL AGREEMENT TO RECOMMEND TO CAPITALS THAT THE ICRC REQUEST SHOULD BE SUPPORTED. THE CHAIRMAN SUGGESTED THAT CAPITALS BE ASKED TO APPROVE A DEMARCHE THROUGH THE PRESIDENCY IN WARSAW. THE DUTCHMAN SAW MERIT IN KEEPING THE DEMARCHE IN SUPPORT OF THE RED CROSS SEPARATE FROM THAT ON THE ILO.

5. ON UNHCR WE NOTED MR HARTLING'S APPEAL OF 30 DECEMBER. ON THE HUMAN RIGHTS COMMISSION NOTHING OF SUBSTANCE EMERGED. WE NOTED THAT THERE WOULD BE A MEETING OF THE UN WORKING GROUP IN BRUSSELS ON 21 JANUARY, AND THE NEED TO LIAISE WITH THE AMERICANS.

FCO PLEASE PASS TO SAVING ADDRESSEES

[REPEATED AS REQUESTED]

LONG

POLAND SPECIAL
STANDARD

EESD
CSCE UNIT
NAD
SED
WED
ECD (E)_{RID}
ESID
FED
CAD
SAD
UND

TRED
ERD
SEC D
OLA
CONS D
CONS EM UNIT
CABINET OFFICE

ADDITIONAL DISTN.
POLAND SPECIAL

[COPIES SENT TO NO 10 DOWNING ST]

- 2 -

CONFIDENTIAL

CONFIDENTIAL

CONFIDENTIAL

DESKBY FCO 081430Z

FM ATHENS 081215Z JAN 82

TO IMMEDIATE FCO DESKBY 091430Z

TELEGRAM U/N OF 8 JANUARY

RPTD IMMEDIATE WASHINGTON PARIS BONN WARSAW MOSCOW UKDEL NATO

AND SAVING TO OTHER NATO POSTS AND DUBLIN.

MY TELS NOS 6 AND 8

POLAND

MEETING OF NATO FOREIGN MINISTER.

1. FOLLOWING IS TEXT OF LETTER ADDRESSED TO ME ON 8 JANUARY BY HARALAMBOPOULOS SETTING OUT THE GREEK GOVERNMENT'S VIEWS ON POLAND. SIMILAR LETTERS ARE BEING DELIVERED TO OTHER NATO AMBASSADORS IN ATHENS.

BEGINS.

IN VIEW OF THE DISCUSSIONS TO TAKE PLACE NEXT MONDAY JANUARY 11, WITHIN THE FRAMEWORK OF THE NATO FOREIGN MINISTERS' CONFERENCE CONCERNING THE DEVELOPMENTS IN POLAND, I WISH TO DRAW YOUR ATTENTION ON THE BASIC VIEWS OF THE GREEK GOVERNMENT.

1. OUR COUNTRY CONDEMNS THE MARTIAL LAW IMPOSED, THE RESTRICTION OF INALIENABLE HUMAN RIGHTS AND SYNDICALIST FREEDOMS, MASS ARRESTS AS WELL AS THE BREAK-OFF OF THE DIALOGUE AIMING TO RENEWAL AND REFORMS IN POLAND. AS YOU MIGHT KNOW, THIS POSITION HAS BEEN STATED IN AN OFFICIAL GOVERNMENT COMMUNIQUE OF DECEMBER 18, 1981, AS WELL AS IN TWO DECLARATIONS OF THE TEN COMPILED WITH THE CONTRIBUTION OF GREECE.

2. THOUGH WE AGREE THAT THE USSR EXERCISED PRESSURE AND HAS BEEN INFORMED ABOUT DEVELOPMENTS, WE CONSIDER THAT NO DIRECT INTERVENTION OF HERS CAN BE PRESUMED FROM THE LEGAL POINT OF VIEW UP TO THE MOMENT. HOWEVER, WE HOLD WITH THE PRINCIPLES STATED IN THE FINAL ACT OF HELSINKI AND NATURALLY OPPOSE ANY VIOLATION OF SAID PRINCIPLES - IN PARTICULAR ANY DIRECT INTERVENTION IN THE INTERNAL AFFAIRS OF ANY OTHER COUNTRY WHEN SUCH AN EVENT TAKES PLACE.

CONFIDENTIAL

/3.

CONFIDENTIAL

3. SINCE INDICATIONS EXIST AT PRESENT OF THE PROBABILITY THAT THE MILITARY GOVERNMENT OF POLAND PROCEEDS TO NORMALIZING THE SITUATION ACCORDING TO ITS PROMISES, WE CONSIDER THAT TAKING RESTRICTIVE MEASURES OF IMPOSING SANCTIONS - ECONOMIC OR OTHER - AT THE PRESENT STAGE AGAINST POLAND AND THE OTHER EASTERN COUNTRIES WOULD NOT HELP TO RESOLVING THE CRISIS SEMI-COLON ON THE CONTRARY, IT COULD LEAD TO UNDESIRABLE DEVELOPMENTS AND

UNDERMINE ATTEMPTS AIMING TO DETENTE, DISARMAMENT AND IN PARTICULAR THE GENEVA NEGOTIATIONS.

4. MOVEROVER, TAKING SUCH MEASURES OR SANCTIONS COULD VERY SERIOUSLY AFFECT THE ECONOMIES OF THE EUROPEAN COUNTRIES, WHICH ALREADY FACE A PERIOD OF DIFFICULTIES, MORE ESPECIALLY THOSE OF SMALL COUNTRIES AS IS GREECE.

5. FINALLY, WE WISH TO REMIND YOU OF THE FACT THAT, AS IT HAS BEEN INITIALLY STRESSED, WE DO NOT CONSIDER NATO AS BEING THE APPROPRIATE FORUM FOR UNDERTAKING DISCUSSIONS AGAINST THE MILITARY REGIME IN POLAND GIVEN THE FACT THAT A MEMBER OF THE ALLIANCE IS UNDER A MILITARY REGIME WITH ALL COMMON CHARACTERISTICS.

I HOPE THAT THE ABOVE STATED VIEWS WILL REACH UNDERSTANDING FROM YOUR GOVERNMENT SO THAT IT BECOMES POSSIBLE TO ATTAIN A COMMON POSITION IN NEXT MONDAY'S DISCUSSIONS IN BRUSSELS.

YOURS SINCERELY

ENDS

FCO PSE PASS SAVING OTHER NATO POSTS AND DUBLIN.

SUTHERLAND

POLAND SPECIAL
STANDARD

EESD
CSCE UNIT
NAD
SED
WED
UND
ECD(E)
ESI
FED
CAD
SAD

TRED
ERD
SEC D
OLA
CONS D
CONS EM UNIT
CABINET OFFICE

ADDITIONAL DISTN.
POLAND SPECIAL

[COPIES SENT TO NO 10 DOWNING ST]

[PASSED] AS REQUESTED

2
CONFIDENTIAL



FILE

TR.

SUBJECT

J.C. Harbat set

10 DOWNING STREET

From the Private Secretary

8 January 1982

POLAND

The Prime Minister held a meeting at 5 p.m. on 7 January to consider the proposals in your letter to me of 6 January. The meeting also had before it the Foreign and Commonwealth Secretary's minute of 5 January (FCS/82/3) to the Minister of Agriculture; and some of those present had seen the latter's reply, in Robert Lawson's letter to you of 7 January. The meeting was attended by the Foreign and Commonwealth Secretary, the Chancellor of the Exchequer, the Secretary of State for Industry, the Secretary of State for Trade and Mr. Wade-Gery.

The Foreign and Commonwealth Secretary said that the communique issued by the Foreign Ministers of the Ten Member countries of the European Community on 4 January had been helpful in condemning both repression by the Polish authorities and the hostile role of the Soviet Union; and in undertaking not to undermine American economic measures against the Russians, although it had naturally not been possible to spell out what this would involve. The communique had been well received by the United States Government, and the subsequent meeting between President Reagan and Chancellor Schmidt had also gone reasonably well. American public opinion was nevertheless deeply concerned about what was seen as weakness among the European allies. The United States Government were therefore very anxious to see the Europeans take some concrete steps against the Soviet Union as well as Poland; but they recognised that these need not exactly match the steps they themselves had already taken. The Americans had chosen measures which signalled their displeasure while not doing great harm to their material interests; and they tacitly accepted that it would be reasonable for the EC to do the same. It would now be necessary to discuss the matter at the meeting of NATO Foreign Ministers on 11 January and subsequently among the Ten. European action against the Soviet Union, to which some of the Ten were wholly opposed, would be harder to agree on than on action against Poland. But there should be a reasonable chance of progress if he could put forward a package of possible measures, on the lines of those listed in your letter under reference, which would convey a clear signal both to the Americans and to the Russians and Poles without seriously damaging European interests. If agreement on such a package proved impossible, it would be necessary to consider how far Britain might take action on her own; but for the present that difficult decision did not arise.

/The Secretary of State

The Secretary of State for Trade welcomed the Foreign and Commonwealth Secretary's proposals as a well-judged response to a difficult situation. A signal was clearly needed. But he was glad that comprehensive economic sanctions were not being suggested, given their uncertain efficacy and the considerable damage to British interests they would involve.

In discussion there was general agreement with the course proposed by the Foreign and Commonwealth Secretary. The following points in particular were noted.

(a) Of the proposed measures against Poland, the suspension of subsidised sales of EC food might prove the hardest to agree on, in the face of opposition from the French and possibly the Germans. Britain had a right of veto; but if the prospect were that this would have to be used in uncomfortable isolation it might be preferable simply to make clear that there would be no British participation in such sales.

(b) Among the proposed measures against the Soviet Union, termination of the Maritime Agreement would do little harm to British interests and might have incidental advantages if the number of Soviet sailors visiting British ports were reduced. It would irritate more than harm the Soviet Union, and would not take effect until 12 months' notice had expired; but it would be welcomed by the Americans as an appropriate gesture.

(c) As regards factory fishing, the Minister of Agriculture's need to consult the fishing industry about the proposed new licensing system was understood. But the idea of using that system to discriminate against the Russians would do no harm to British interests and would need to be canvassed with Britain's partners in the coming week. Any prior consultation needed should therefore be undertaken on 8 January.

(d) Possible COCOM measures against Poland and against the Soviet Union were further examined in a minute which the Foreign and Commonwealth Secretary was on the point of circulating to the Prime Minister and others concerned. In this context it was not clear whether the measures already taken by the Americans against the Soviet Union applied to existing contracts as well as new ones. It was to be hoped that they did not, as the EC had strongly urged. Otherwise serious difficulties could arise for British, German and Italian firms over contracts for equipment for the West Siberian pipeline which involved components made in the United States or under United States licence. It would be unwise of the Americans to press this point, since the European firms could if necessary find ways round any American ban; but the process of doing so would be highly inconvenient.

/(e) Some of the

(e) Some of the Government's supporters in Parliament were critical of the United States Government's measures against the Soviet Union, which were seen as precipitate and probably ineffective. There would therefore be advantage in any British measures being so far as possible seen to be part of a distinct European response to the present crisis. In practice, however, there would be little scope for disguising the fact that European and American policies were being co-ordinated, e.g. in the NATO forum; nor would it be desirable to underplay the extent of such co-ordination, given the importance of unity of purpose within the Western Alliance.

Summing up the discussion the Prime Minister said that it was right to deny any help to Poland which would assist the regime in its present repressive policies; and to work for a series of European gestures against the Soviet Union which would echo but not necessarily copy the gestures being made by the United States. The Foreign and Commonwealth Secretary should therefore proceed as he had suggested. The Americans had chosen measures which were not likely to do serious harm to their interests, and it was reasonable that the members of the EC should do the same. It was important that American restrictions on technology exports should not be allowed to damage the current contracts of British firms such as John Brown; and the Foreign and Commonwealth Secretary, in consultation with the Secretary of State for Trade, should report further if this problem could not be satisfactorily clarified. The Minister of Agriculture's proposed consultations with the fishing industry over licensing in relation to factory fishing should be begun at once, i.e. on 8 January (you will have seen the separate letter on this which I sent to Robert Lawson last night).

I am sending copies of this letter to the Private Secretaries to the Chancellor of the Exchequer, the Secretaries of State for Industry and Trade and the Minister of Agriculture; and to David Wright (Cabinet Office).

Z. J. COLLES

Brian Fall, Esq.,
Foreign and Commonwealth Office.

Draft Letter from Mr Coles to Mr Fall, FCO

CONFIDENTIAL

Poland

*Pass
8/1/82.*

The Prime Minister held a meeting at 5 pm on 7 January to consider the proposals in your letter to me of 6th January. The meeting also had before it the Foreign and Commonwealth Secretary's minute of 5 January (FCS/82/3) to the Minister of Agriculture; and some of those present had seen the latter's reply, in Robert Lawson's letter to you of 7 January. The meeting was attended by the Foreign and Commonwealth Secretary, the Chancellor of the Exchequer, the Secretary of State for Industry, the Secretary of State for Trade and Mr Wade-Gery.

The Foreign and Commonwealth Secretary said that the communique issued by the Foreign Ministers of the ten member countries of the European Community on 4 January had been helpful in condemning both repression by the Polish authorities and the hostile role of the Soviet Union; and in undertaking not to undermine American economic measures against the Russians, although it had naturally not been possible to spell out what ^{his} ~~that~~ would involve. The communique had been well received by the United States Government, and the subsequent meeting between President Reagan and Chancellor Schmidt had also gone reasonably well. American public opinion was nevertheless deeply concerned about what was seen as weakness among the European allies. The United States Government were therefore very anxious to see the

Europeans take some concrete steps against the Soviet Union as well as Poland; but they recognised that these need not exactly match the steps they themselves had already taken. The Americans had chosen measures which signalled their displeasure while not doing great harm to their material interests; and they tacitly accepted that it would be reasonable for the EC to do the same. It would now be necessary to discuss the matter at the meeting of NATO Foreign Ministers on 11 January and subsequently among the Ten. European action against the Soviet Union, to which some of the Ten were wholly opposed, would be harder to agree on then on action against Poland. But there should be a reasonable chance of progress if he could put forward a package of possible measures, on the lines of those listed in your letter under reference, which would convey a clear signal both to the Americans and to the Russians and Poles without seriously damaging European interests. If agreement on such a package proved impossible, it would be necessary to consider how far Britain might take action on her own; but for the present that difficult decision did not arise.

The Secretary of State for Trade welcomed the Foreign and Commonwealth Secretary's proposals, as a well-judged response to a difficult situation. A signal was clearly needed. But he was glad that comprehensive economic sanctions were not being suggested, given their uncertain efficacy and the considerable damage to British interests they would involve.

In discussion there was general agreement with the course proposed by the Foreign and Commonwealth Secretary. The following points in particular were noted.

a. Of the proposed measures against Poland, the suspension of subsidised sales of EC food might prove the hardest to agree on, in the face of opposition from the French and possibly the Germans. Britain had a right of veto; but if the prospect were that this would have to be used in uncomfortable isolation it might be preferable simply to make clear that there would be no British participation in such sales.

b. ^{Among} ~~the~~ the proposed measures against the Soviet Union, termination of the Maritime Agreement would do little harm to British interests and might have incidental advantages if the number of Soviet sailors visiting British ports were reduced. It would irritate more than harm the Soviet Union, and would not take effect until 12 months' notice had expired; but it would be welcomed by the Americans as an appropriate gesture.

c. As regards factory fishing, the Minister of Agriculture's need to consult the fishing industry about the proposed new licensing system was understood. But the idea of using that system to discriminate against the Russians would do no harm to British interests and would need to be canvassed with Britain's partners in the coming week. Any prior consultation ~~with the industry~~ needed should therefore be undertaken on 8 January.

CONFIDENTIAL

d. Possible COCOM measures against Poland and against the Soviet Union were further examined in a minute which the Foreign and Commonwealth Secretary was on the point of circulating to the Prime Minister and others concerned. In this context it was not clear whether the measures already taken by the Americans against the Soviet Union applied to existing contracts as well as new ones. It was to be hoped that they did not, as the EC had strongly urged. Otherwise serious difficulties could arise for British, German and Italian firms over contracts for equipment for the West Siberian pipeline which involved components made in the United States or under United States licence. It would be unwise of the Americans to press this point, since the European firms could if necessary find ways round any American ban; but the process of doing so would be highly inconvenient.

e. Some of the Government's supporters in Parliament were critical of the United States Government's measures against the Soviet Union, which were seen as precipitate and probably ineffective. There would therefore be advantage in any British measures being so far as possible seen to be part of a distinct European response to the present crisis. In practice, however, there would be little scope for disguising the fact that European and American policies were being co-ordinated, eg in the NATO forum; nor would it be desirable to underplay the extent of such co-ordination, given the importance of unity of purpose within the Western Alliance.

Summing up the discussion the Prime Minister said that it was right to deny any help to Poland which would assist the regime in its present ^{repressive} policies; and to work for a series of European gestures against the Soviet Union which would echo but not necessarily copy the gestures being made by the United States. The Foreign and Commonwealth Secretary should therefore proceed as he had suggested. The Americans had chosen measures which were not likely to do serious harm to their interests, and it was reasonable that the members of the EC should do the same. It was important that American restrictions on technology exports should not be allowed to damage the current contracts of British firms such as John Brown; and the Foreign and Commonwealth Secretary, in consultation with the Secretary of State for Trade, should report further if this problem could not be satisfactorily clarified. The Minister of Agriculture's proposed consultations with the fishing industry over licensing in relation to factory fishing should be begun at once, ie on 8 January (you will have seen the separate letter on this which I sent to Robert Lawson last night).

I am sending copies of this letter to the Private Secretaries to the Chancellor of the Exchequer, the Secretaries of State for Industry and Trade and the Minister of Agriculture; and to David Wright in the Cabinet Office.

SUBJECT

2

IMMEDIATE 081105Z JAN 82
SECRET
FROM CABINET OFFICE LONDON
TO THE WHITE HOUSE

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T 2/82

MISC 004
FROM PRIME MINISTER
TO THE PRESIDENT OF THE UNITED STATES OF AMERICA

cc. master set
ops

DEAR RON

I WAS GRATEFUL FOR YOUR LETTER OF 24 DECEMBER ABOUT YOUR MESSAGES TO GENERAL JARUZELSKI AND TO PRESIDENT BREZHNEV.

BEFORE REPLYING, I WANTED TO SEE WHAT PROGRESS WAS MADE IN OUR DISCUSSIONS WITH OUR EUROPEAN PARTNERS IN THE NEW YEAR. YOU OBVIOUSLY HAD A GOOD MEETING WITH HELMUT SCHMIDT EARLIER THIS WEEK, AND HE WILL HAVE GIVEN YOU AN ACCOUNT OF THE MEETING OF THE TEN FOREIGN MINISTERS IN BRUSSELS ON 4 JANUARY. THE TASK OF RECONCILING VIEWS AND INTERESTS AMONG TEN DIFFERENT COUNTRIES IS NEVER EASY AND YOU WILL BE AWARE OF SOME PARTICULAR DIFFICULTIES IN THIS CASE. NEVERTHELESS, THE OUTCOME AS REFLECTED IN THE TEN'S COMMUNIQUE IS BETTER THAN SEEMED LIKELY AT ONE STAGE AND REFLECTS IDEAS FOR WHICH WE FOUGHT HARD.

I HOPE WE SHALL BE ABLE TO GO FURTHER IN THE CONSULTATIONS WHICH LIE AHEAD. THE STATEMENT IN THE COMMUNIQUE THAT: "OTHER MEASURES WILL BE CONSIDERED AS THE SITUATION IN POLAND DEVELOPS, IN PARTICULAR CONCERNING CREDIT AND ECONOMIC ASSISTANCE TO POLAND AND MEASURES CONCERNING THE COMMUNITY'S COMMERCIAL POLICY WITH REGARD TO THE USSR" WILL BE HELPFUL IN THIS CONNECTION. THE LAST WORD HAS NOT BEEN SAID. WE SHALL CERTAINLY BE PUSHING IN THE SAME DIRECTION AS YOU, BELIEVING AS I DO IN THE IMPORTANCE OF THE WESTERN ALLIANCE AND THE WAY OF LIFE FOR WHICH WE STAND.

WE MUST ENSURE THAT THE FOCUS OF ATTENTION IS DIRECTED WHERE IT BELONGS - AT A BLATANT EXAMPLE OF THE FAILURE OF THE SOVIET SYSTEM AND SOVIET IDEAS - AND NOT AT DIFFERENCES BETWEEN ALLIANCE PARTNERS WHOSE AIMS ARE IDENTICAL.

1981 WAS AN EVENTFUL YEAR FOR US ALL. I SEND YOU MY WARM REGARDS AND BEST WISHES FOR 1982.

YOURS EVER
MARGARET

NNNN

S E C R E T

cc FCO /



PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T 2/82

10 DOWNING STREET

THE PRIME MINISTER

cc. transfer set
ops

8 January 1982

Dear Ron,

I was grateful for your letter of 24 December about your messages to General Jaruzelski and to President Brezhnev.

Before replying, I wanted to see what progress was made in our discussions with our European partners in the New Year. You obviously had a good meeting with Helmut Schmidt earlier this week, and he will have given you an account of the meeting of the Ten Foreign Ministers in Brussels on 4 January. The task of reconciling views and interests among ten different countries is never easy and you will be aware of some particular difficulties in this case. Nevertheless, the outcome as reflected in the Ten's Communique is better than seemed likely at one stage and reflects ideas for which we fought hard.

I hope we shall be able to go further in the consultations which lie ahead. The statement in the Communique that:

"other measures will be considered as the situation in Poland develops, in particular concerning credit and economic assistance to Poland and measures concerning the Community's commercial policy with regard to the USSR"

/ will be

S E C R E T

S E C R E T

- 2 -

will be helpful in this connection. The last word has not been said. We shall certainly be pushing in the same direction as you, believing as I do in the importance of the Western Alliance and the way of life for which we stand.

We must ensure that the focus of attention is directed where it belongs - at a blatant example of the failure of the Soviet system and Soviet ideas - and not at differences between Alliance partners whose aims are identical.

1981 was an eventful year for us all. I send you my warm regards and best wishes for 1982.

*Yours
Ronald Reagan*

The President of the United States of America

S E C R E T

sub

BF

8 January 1982

LORD ERSKINE OF RERRICK: POLAND

Would you please refer to my letter of 6 January.

I now enclose a letter from Lord Erskine which sets out his proposal in rather more detail. Should you wish me to make any comment to him, I should be grateful for advice early next week.

A. J. COLES

F.N. Richards, Esq.,
Foreign and Commonwealth Office.

8 January 1982

AID FOR POLAND

Thank you so much for your letter of 7 January. I look forward to hearing from you again when the Red Cross have completed their investigations of the scheme. Meanwhile, I have asked our experts to take a look at it and will let you know if we have any comments or suggestions to make.

A. J. COLES

The Lord Erskine of Rerrick, GBE, DL, JP

STRABO LIMITED

Please reply to :-

Universal House
60 Buckingham Palace Road
London SW1W 0RR

Tel: 01-730 0032/3/4

Ref:

7 January 1982

From: The Lord Erskine of Rerrick

John Coles, Esq.
Personal Private Secretary,
Prime Minister's Office,
10 Downing Street,
London, SW1.

John Mc Coles

AID FOR POLAND

I refer to our telephone conversation yesterday in connection with aid for Poland.

Like many of us, I am extremely perturbed by the situation in Poland and I have had it in mind for some days now that there is a strong possibility that the people of Scotland would contribute meat to be sent out to Poland as aid under the present circumstances.

As you know, most of the Polish Army was stationed in Scotland during the first half of the last War - the associations are strong and, in fact, I myself am married to a daughter of one of their Senior Officers.

In principle, it is considered feasible that each of the market towns might contribute one whole animal towards the shipment and, later, individual farmers and others in the trade could also contribute.

This Company is associated with large organisations such as Unigate and others in the meat processing business and I consider that we are able to mount such an organisation.

.../2

VAT No. 340 5763 65

Directors: The Lord Erskine of Rerrick, J. B. Pryor

Registered in England at 58 Houndsditch London EC3A 7EU No. 1388603

However, it is imperative:

1. That the Red Cross or some other organisation will receive and distribute the produce and, indeed, find sufficient cold storage at distribution points.
2. That the shipping of the consignments would be a gift from one of the major transport companies - I think this is possible; and,
3. That this is a one-off situation and there will be no further requests from Poland for further supplies on the same basis.

Naturally, I do not wish to embarrass either the Prime Minister or her Government in this. I have already spoken to the Red Cross who are investigating the possibility through Geneva and this should take two days to confirm. However, I must mention that the Norwegians who have tried to do the same project finished up by delivering meat which was, of course, useless due to the fact that there was no proper distribution point arranged.

I will confirm to you in more detail in the next few days the proposal, should the Red Cross be in a position to help.

And Samuel
B. Skene of Rennie

10 FEB 1982



CONFIDENTIAL



10 DOWNING STREET

From the Private Secretary

7 January 1982

POLAND

Thank you for sending me a copy of your letter of 7 January to Brian Fall on the question of factory fishing.

This matter was discussed at this afternoon's ad hoc Ministerial meeting (my copy of the letter arrived during the course of the meeting). It was decided that the Foreign and Commonwealth Secretary should be free to raise, at the NATO meeting on 11 January, the possibility that the proposed new licensing system for the transfer of fish caught by UK fishermen would be used to discriminate against Soviet factory ships. As I told you on the telephone immediately after the meeting, the Prime Minister hopes that your Ministers will be able to consult the Industry about this matter on Friday, 8 January.

I am sending copies of this letter to Brian Fall (FCO), John Kerr (HM Treasury), John Rhodes (Department of Trade), Ian Ellison (Department of Industry) and David Wright (Cabinet Office).

LAB COLLECT

Robert Lawson, Esq.,
Ministry of Agriculture, Fisheries and Food.



Ministry of Agriculture, Fisheries and Food
Whitehall Place London SW1A 2HH

From the Minister's Private Office

CONFIDENTIAL

Brian Fall Esq
Private Secretary to
the Foreign & Commonwealth Secretary
Foreign and Commonwealth Office
Downing Street
London SW1

7 January 1982

Dear Brian

POLAND

Thank you for sending me a copy of your letter of 6 January to John Coles. My concern is with the reference to factory fishing. My Minister, who is unable to attend this afternoon's meeting with the Prime Minister, is willing to accept that once a decision to introduce a system for licensing vessels to receive fish caught by UK fishermen has been taken, presentational use could be made of the fact that such a licensing system could be used to discriminate against Soviet vessels.

However, such a reference would need to be carefully handled. The threat of the loss of these outlets would be controversial within the UK fishing industry which has relatively large and important sales to Russian factory ships.

The more immediate problem is, however, one of timing. No decision has yet been taken to introduce a licensing system. Nor can such a decision be taken until the industry has been consulted. As Lord Carrington knows, the real reason for introducing licensing would be to support conservation measures which are already in force. It would, in my Minister's view, be quite wrong and cause real difficulties with our industry to say publicly that we were ready to contemplate licensing as a measure directed against the Russians, or to draw attention to the fact that a licensing system could so be used before the industry has been consulted on the

CONFIDENTIAL

proposal for a licensing scheme in the context of its real purpose and a decision taken. He therefore hopes that Lord Carrington will agree that consideration of how to use reference to the possibility of the use of a licensing scheme in the context of an initiative against the Soviet Union should be deferred until the decision on whether to introduce such a scheme has been taken. We expect this to be within the next two to three weeks.

While writing, may I also clarify a point about food sales to Poland. In the paragraph at the bottom of the second page of your letter you make a couple of references to "subsidised food to Poland". I take it that this phrase is intended to cover the special subsidy (15% below world prices) which the Community has been paying on various tranches of "food aid" over the last year or so, and that the Foreign Secretary is not proposing that export restitutions at normal rates (and under normal rules) should cease to be available for sales to Poland. Unless you correct me we will work on that interpretation.

I am sending copies of this letter to John Kerr (HM Treasury), John Coles (10 Downing Street), John Rhodes (Department of Trade), Ian Ellison (Department of Industry) and David Wright (Cabinet Office).

Yours sincerely

Robert Lawson

ROBERT LOWSON
Private Secretary

12-11-63

7082

CONFIDENTIAL



Foreign and Commonwealth Office

London SW1A 2AH

7 January 1982

Dear John,

Handwritten initials and a vertical line

Poland: Prime Minister's reply to President
Reagan's letter of 24 December

Handwritten initials

Thank you for your letter earlier today. I attach what, despite its length, is a not very substantial redraft of the second paragraph after its first two sentences. Lord Carrington would prefer if possible to avoid the 'less than happy' formulation; and the experts tell me that, although we did indeed fight hard for many of the points in the communique which represent an improvement on previous pronouncements, the section on other measures to be considered was a Commission draft. I apologise for misleading you on this point.

Handwritten signature

(B J P Fall)
Private Secretary

A J Coles Esq
10 Downing Street

CONFIDENTIAL

The task of reconciling views and interests among ten different countries is never easy and you will be aware of some particular difficulties in this case. Nevertheless the outcome as reflected in the Ten's communique is better than at one stage seemed likely and reflects ideas for which we fought hard. I hope we shall be able to go further in the continuing consultations which lie ahead, and the statement in the communique that:

'other measures will be considered as the situation in Poland develops, in particular measures concerning credit and economic assistance to Poland and measures concerning the Community's commercial policy with regard to the USSR'

will be helpful in this connection. The last word has not been said. . . We shall certainly be pushing in the same direction as you, believing as I do in the importance of the western alliance and the way of life for which we stand.

GRS 700

CONFIDENTIAL

CONFIDENTIAL

PRIME MINISTER'S
PERSONAL MESSAGE

SERIAL No. T 1A/82

cc. Master det
OPS

SUBJECT

FM WARSAW 071640Z JAN 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 57 OF 7 JANUARY ..

INFO IMMEDIATE UKDEL NATO, PARIS, BONN, WASHINGTON, MOSCOW
INFO SAVING EAST BERLIN, PRAGUE, BUDAPEST, MODUK, SOFIA,
BUCHAREST, BELGRADE, HELSINKI, STOCKHOLM, UKMIS NEW YORK AND
UKREP BRUSSELS.

MIPT: POLISH SITUATION.

FOLLOWING IS OUR TRANSLATION OF GENERAL JARUZELSKI'S LETTER

DEAR MADAM PRIME MINISTER

I ADDRESS MYSELF TO YOU IN A PERIOD OF SPECIAL SIGNIFICANCE FOR THE FATE OF MY COUNTRY. I DO THIS IN THE NAME OF THE TRADITIONAL RELATIONS OF FRIENDSHIP AND GOOD COOPERATION WHICH LINK POLAND AND GREAT BRITAIN.

THE COMPLEX, DRAMATIC DEVELOPMENT OF EVENTS IN POLAND, WHICH THREATEN TO ERUPT INTO CIVIL WAR AND THE COMPLETE COLLAPSE OF THE NATIONAL ECONOMY HAVE FORCED THE AUTHORITIES OF THE POLISH PEOPLE'S REPUBLIC TO ADOPT THE EXTRAORDINARY MEASURES FORESEEN IN THE CONSTITUTION FOR THE SALVATION OF THE POLISH STATE. WE HAVE UNDERTAKEN THIS DIFFICULT BUT NECESSARY STEP IN A SOVEREIGN MANNER, WITH FEELINGS OF HIGHEST DUTY TO OUR COUNTRY WHICH, THROUGH A STRUGGLE OF MANY GENERATIONS, AND ESPECIALLY BY THE ACTIVE PARTICIPATION OF ITS SOLDIERS ON ALL FRONTS IN THE SECOND WORLD WAR, REGAINED ITS RIGHT TO AN INDEPENDENT STATE AND TO ITS ENDURING PRESENCE ON THE POLITICAL MAP OF EUROPE. A FEELING OF RESPONSIBILITY ARISING FROM THE JOINT PARTICIPATION OF THE POLAND REBORN AFTER THE WAR IN THE FORMATION OF STRUCTURES OF PEACE AND SECURITY IN EUROPE, HAS ALSO GUIDED US. WE CANNOT ALLOW POLAND, A FUNDAMENTAL ELEMENT OF PEACEFUL ORDER AND THE DETENTE (UNDERLINED) DIALOGUE OF OUR CONTINENT, TO BECOME A SOURCE OF TROUBLE AND CONFRONTATION BETWEEN EAST AND WEST.

THE PRESENT LEGAL STATE INTRODUCED INTO OUR COUNTRY AND THE RESTRICTIONS ARISING FROM IT ARE OF A TRANSITORY NATURE. IN ACCORDANCE WITH PROGRESS IN INTERNAL STABILISATION - WHICH IS ALREADY HAPPENING BY DEGREES - THESE RESTRICTIONS WILL BE REMOVED. WE ARE COMMITTED TO CONTINUING THE WORK BEGUN ON SOCIAL-ECONOMIC REFORM ON THE BASIS OF A BROAD PLATFORM OF NATIONAL UNDERSTANDING FOUNDED ON RESPECT OF THE CONSTITUTIONAL MEMBERS OF THE PRL. OUR GOAL IS A POLAND FAITHFUL TO HER HISTORIC TRADITIONS, RESPONSIVE TO THE CONTEMPORARY ASPIRATIONS OF THE NATION AND ENJOYING THE RESPECT OF OTHER NATIONS.

CONFIDENTIAL

/ IN

IN THIS DIFFICULT PERIOD, POLAND COUNTS ON SYMPATHETIC UNDERSTANDING ON THE PART OF INTERNATIONAL SOCIETY. UNFORTUNATELY, SOME POLITICAL CIRCLES IN WESTERN COUNTRIES ARE ATTEMPTING TO TAKE ADVANTAGE OF THE SITUATION IN POLAND TO TAKE UNFRIENDLY STEPS TOWARDS OUR COUNTRY. ATTEMPTS ARE BEING MADE TO LIMIT AND RESTRAIN ECONOMIC COOPERATION WITH POLAND, TO ADVANCE POLITICAL CONDITIONS OR SIMPLE NAKED INTERFERENCE IN OUR INTERNAL AFFAIRS. THESE ACTIONS NOT ONLY SHARPEN THE PRESENT NEEDS OF OUR COUNTRY, BUT ARE IN THEIR NATURE CONTRARY TO ACCEPTED INTERNATIONAL NORMS AND BREACH THE STRUCTURE OF CO-EXISTENCE AND COOPERATION BETWEEN NATIONS.

POLAND WILL REMAIN FAITHFUL TO ITS TRADITIONAL POLICY OF PEACE, DIALOGUE AND COOPERATION BETWEEN STATES OF DIFFERING SOCIAL AND POLITICAL SYSTEMS. IN PARTICULAR WE ATTACH GREAT SIGNIFICANCE TO THE MAINTENANCE AND STRENGTHENING OF FRIENDLY RELATIONS BETWEEN BOTH OUR NATIONS, TO THE FUTURE DEVELOPMENT AND COOPERATION BETWEEN OUR STATES.

I AM CONVINCED THAT THE GOVERNMENT OF GREAT BRITAIN WILL SHOW UNDERSTANDING FOR THE SITUATION AND FOR THE EFFORTS OF THE GOVERNMENT OF THE PRL WHICH ARE AIMED AT A RETURN TO POLITICAL AND ECONOMIC STABILISATION AND TO THE CREATION OF CONDITIONS FOR THE FUTURE DEMOCRATIC DEVELOPMENT OF POLAND. THE SUCCESSFUL DEVELOPMENT OF RELATIONSHIPS BETWEEN BOTH OUR NATIONS AND STATES WILL ASSIST THE OVERCOMING OF OUR PRESENT DIFFICULTIES, ESPECIALLY OUR ECONOMIC DIFFICULTIES WHICH IS, INTER ALIA, (UNDERLINED) OF FUNDAMENTAL SIGNIFICANCE FOR THE RESOLUTION OF OUR INTERNATIONAL OBLIGATIONS.

I TAKE ADVANTAGE OF THIS OCCASION TO ASSURE YOU THAT THE POLISH AUTHORITIES WILL UNDERTAKE EVERY EFFORT TO ENSURE THAT CITIZENS OF GREAT BRITAIN IN POLAND - AS HITHERTO - WILL SUFFER NO HARM: THAT THE INCONVENIENCES ARISING FOR THEM FROM THIS SPECIAL LEGAL STATE, WILL CAUSE AS LITTLE DIFFICULTY FOR THEM AS POSSIBLE: AND THAT THEY WILL LAST FOR AS SHORT A TIME AS POSSIBLE.

ON THE THRESHOLD OF THIS NEW YEAR 1982 I BEG YOU TO ACCEPT, ESTEEMED MADAM, PREMIER, MY WISHES FOR THE SUCCESS OF THE FRIENDLY BRITISH NATION AND FOR YOUR HEALTH AND PERSONAL SUCCESS.

WITH EXPRESSIONS OF HIGHEST RESPECT

WOJCIECH JARUZELSKI

ENDS

FCO PLEASE PASS SAVING ADDRESSEES
MELHUISH

(REPEATED AS REQUESTED)

POLAND SPECIAL
STANDARD

ADDITIONAL DISTN.
POLAND SPECIAL

EESD
CSCE UNIT
NAD
SED
WED
ECD (E)
ESID
FED
CAD
SAD

TRED
ERD
SEC D
OLA
CONS D
CONS EM UNIT
CABINET OFFICE

[COPIES SENT TO NO 10 DOWNING ST]

2
CONFIDENTIAL

POLAND:

ADVANCE COPIES

24-25

IMMEDIATE

PS
PS/LPS

NO 10 DOWNING ST
ASSESSMENT STAFF
CABINET OFFICE
DIO CABINET OFFICE

PS/LORD TREFGARNE
PS/FUS
MR BULLARD
MR FERGUSSON
SIR A ACLAND (2)
MR GILLMORE

HD/EESD (4)
HD/DEF D
HD/PUSD (2)
HD/WED
HD/ECD(E)
HD/PLANNING STAFF
HD/NEWS D
HD/CONS D
HD/CONS EM UNIT
RESIDENT CLERK

CONFIDENTIAL

FM WARSAW 071800Z JAN 82
TO IMMEDIATE FCO
TELEGRAM NUMBER 60 OF 7 JANUARY

INFO IMMEDIATE WASHINGTON, MOSCOW, PARIS, BONN, UKDEL NATO.
INFO SAVING SOFIA, PRAGUE, BUCHAREST, BUDAPEST, EAST BERLIN
AND BELGRADE

POLAND: THE CHURCH

1. AT A SPECIAL EPIPHANY SERVICE IN ST JOHN'S CATHEDRAL YESTERDAY EVENING, 6 JANUARY, ARCHBISHOP GLEMP DELIVERED A SERMON WHICH MARKS AN IMPORTANT DEVELOPMENT IN THE ATTITUDE OF THE CHURCH TO MARTIAL LAW AND THE MILITARY REGIME. THE GERMAN EMBASSY HAD AN OFFICER THERE, TO WHOM WE OWE THE FOLLOWING DESCRIPTION.
2. THE PRIMATE CONDEMNED IN A VERY DIRECT FASHION THE INTERNMENTS AND THE PRESSURE BEING EXERCISED BY THE MILITARY GOVERNMENT ON THE POLISH PEOPLE. HE REFERRED TO HIS 13 DECEMBER SERMON WHEN HE CALLED ON POLES TO AVOID BLOODSHED. HE SAID THAT SINCE THEN SOME MINERS HAD DIED BUT THERE HAD BEEN OTHER DEATHS INDIRECTLY CAUSED BY MARTIAL LAW AS PEOPLE HAD DIED IN HOSPITAL BECAUSE OF INJURIES. THERE WAS NOW GROWING IMPATIENCE IN THE COUNTRY AT THE OPPRESSION

LAW AS PEOPLE HAD DIED IN HOSPITAL BECAUSE OF INJURIES. THERE WAS NOW GROWING IMPATIENCE IN THE COUNTRY AT THE OPPRESSION OF MARTIAL LAW. EVERYONE AWAITED A RETURN TO NORMALISATION AND PEACE. IN WARSAW A STATE OF WAR WAS NO NEW THING.

3. HE THEN WENT ON TO DESCRIBE A VISIT HE HAD PAID TO THE WOMEN'S INTERNMENT CAMP AT OLSZYNKA GROCHOWSKA. HE HAD ARRIVED UNANNOUNCED AND BEEN RECEIVED POLITELY. HE HAD VISITED ALL THE CELLS, HEARD CONFESSIONS AND CELEBRATED MASS. HE HAD BEEN STRUCK BY THE HOSTILITY ON THE PART OF THE CAMP GUARDS AND THE MIXED FEAR AND SCORN SHOWN BY THE INTERNEES. THIS RELATIONSHIP WAS NOW EXTENDING THROUGHOUT SOCIETY. NOT ALL INTERNMENT CAMPS WERE AS GOOD AS THIS ONE. MUCH DEPENDED ON THE HUMANITY OF THE COMMANDANT AND THE BEHAVIOUR OF THE GUARDS. IN SOME CAMPS. PRIESTS WERE FORBIDDEN TO VISIT AND RULES WERE VERY HARSH. A COMMITTEE OF MIXED PRIESTS AND LAYMENT HAD BEEN SET UP IN WARSAW, AND ELSEWHERE IN THE COUNTRY, TO SECURE THE RELEASE OF DETAINEES AND TO IMPROVE CONDITIONS FOR THEIR INTERNMENT.

4. THE PRIMATE SAID HE HAD BEEN ASKED ABOUT THE CHURCH'S ATTITUDE TO THE PIECES OF PAPER WHICH SOLIDARITY MEMBERS WERE BEING FORCED TO SIGN BEFORE BEING RELEASED. THESE COMMITTED SIGNATORIES TO SUPPORT THE REGIME AND TO LEAVE SOLIDARITY. INTERNEES WERE BEING TOLD THAT, IF THEY DID NOT SIGN, THEY WOULD NOT GET ANY WORK AND THEIR FAMILIES MIGHT SUFFER. GLEMP SAID IT WAS A VALID PRECEPT UNDER POLISH CIVIL LAW THAT DECLARATIONS MADE UNDER DURESS WERE NOT BINDING. HE CONCLUDED WITH A REMINDER THAT WYSZYNSKI IN JANUARY LAST YEAR HAD SAID THAT THOUGH THE ROAD TO RENEWAL MIGHT BE HARD AND LONG, THE JOURNEY HAD BEGUN.

5. IT LOOKS AS IF THE PRIMATE HAS NOW DECIDED THAT HE MUST VOICE SOME OF THE IMPORTANT DOUBTS AND CRITICISMS WHICH WE KNOW HIS BISHOPS AND PARISH PRIESTS HAVE BEEN URGING ON HIM FOR SOME TIME. WHILE CAREFUL TO CONTINUE THE MESSAGE THAT BLOOD MUST NOT BE SPILLED, THIS SERMON PUTS THE CHURCH MORE FIRMLY INTO THE RANKS OF THOSE WHO OPPOSE THE GOVERNMENT (OUR TELNO 976).

FCO PLEASE PASS SAVING ADDRESSEES

MELHUI SH

POLAND: ADVANCE COPIES. 20

PS
PS/LPS

PS/LORD TREFGARNE
PS/PUS

~~MR BULLARD~~
MR FERGUSSON
~~SIR A ACHLAND~~
~~MR GILLMORE~~

MR. P. Wright

John
I put a copy of this to PM last night.
NO 10 DOWNING ST
ASSESSMENT STAFF
CABINET OFFICE
DIO CABINET OFFICE
Alan

D/By 080900Z

ADVANCE COPIES

IMMEDIATE

HD/EESD
HD/DEF D
HD/PUSD(2)
HD/WED
HD/ECD(E)
HD/PLANNING STAFF
HD/NEWS D
HD/CONS D
HD/CONS EM UNIT
RESIDENT CLERK

GRS 900

CONFIDENTIAL

DESKBY 080900Z

FM WARSAW 071750Z JAN 82

TO IMMEDIATE FCO

TELNO 059 OF 7TH JANUARY 1982

INFO IMMEDIATE: UKDEL NATO, PARIS, BONN, WASHINGTON AND MOSCOW.

INFO SAVING: SOFIA, PRAGUE, BUCHAREST, BUDAPEST, EAST BERLIN AND BELGRADE.

POLISH SITUATION.

1. IT IS NOW NEARLY FOUR WEEKS SINCE JARUZELSKI IMPOSED MARTIAL LAW ON POLAND. WITH NATO FOREIGN MINISTERS MEETING IN BRUSSELS ON 11 JANUARY, IT MAY BE TIMELY TO ATTEMPT AN ASSESSMENT OF THE CURRENT POSITION.

2. FROM AN INTERNAL SECURITY POINT OF VIEW, POLAND IS NOW QUIET. EVEN THOUGH WE HAVE NO MEANS OF FIRST-HAND CONFIRMATION, I AM PREPARED TO BELIEVE THAT THERE IS NO, OR VERY LITTLE, ACTIVE RESISTANCE IN THE COUNTRY IN THE SHAPE OF DEMONSTRATIONS, STRIKES, SIT-INS OR OTHER PUBLIC OBJECTION. THERE IS ALMOST CERTAINLY CLANDESTINE ACTIVITY FROM THOSE OPPOSED TO THE REGIME, NOTABLY SOLIDARITY, WHICH IN WARSAW AT LEAST IS BEGINNING TO SHOW SIGNS OF SOME ORGANISATIONAL ABILITY. AND THERE IS ALSO PASSIVE RESISTANCE IN FACTORIES ETC.

IN FACTORIES ETC.

3. MARTIAL LAW IS STILL WITH US. SOME IMPROVEMENTS HAVE BEEN ANNOUNCED BUT THEY DO NOT AMOUNT TO MUCH (SHORTER CURFEW HOURS, TRAVEL FOR 30 KMS OUTSIDE WARSAW INSTEAD OF CITY LIMITS, LIMITED TELEPHONE COMMUNICATION WITHIN 10 OUT OF 49 VOIVODSHIPS, SOME INTERNAL FLIGHTS ETC). IN THE ABSENCE OF ANY PROGRESS ON THE POLITICAL FRONT, IT WILL NOT BE EASY NOW TO OFFER ANY SUBSTANTIVE CONCESSIONS IN THE NEXT FEW WEEKS. LIFT TRAVEL RESTRICTIONS OR RESTORE FULL TELEPHONE LINKS AND SOLIDARITY WILL AT ONCE THREATEN ON A GENERAL FRONT AND NOT IN ISOLATED ACTS OF RESISTANCE. TAKE AWAY ROAD BLOCKS, PATROLLING SOLDIERS, MENACING ARMORED VEHICLES AND TOUGH MILITARY COURTS HANDING OUT SUMMARY JUSTICE AND THE PEOPLE'S ANGER AT THE QUALITY OF THEIR LIFE UNDER MARTIAL LAW, AT THE SWINGING RETAIL PRICE RISES (WITH LITTLE OR NO FINANCIAL COMPENSATION) AND OF SMALLER RATIONS COULD EASILY SPILL OVER INTO ANTI-GOVERNMENT DEMONSTRATIONS.

4. ALTHOUGH THE GOVERNMENT CLAIMS THAT MANY DETAINEES HAVE BEEN RELEASED, THEIR TOTAL NUMBER REMAINS OBSTINATELY AROUND THE 5000 MARK. ON THE WHOLE THEY ARE SAID TO BE WELL-TREATED. BUT THE AUTHORITIES' GROWING FRUSTRATION AT THEIR INABILITY TO PERSUADE ANY OF THE WELL-KNOWN SOLIDARITY DETAINEES TO COLLABORATE WAS SHOWN BY JARUZELSKI'S AND RAKOWSKI'S RECENT REFERENCES TO THE NEED TO KEEP THE SOLIDARITY DETAINEES ISOLATED AND EVEN TO CONTEMPLATE LETTING THEM LEAVE POLAND.

5. ON THE POLITICAL FRONT THERE HAS BEEN MUCH GOVERNMENT-INSPIRED TALK ABOUT THE RESUMPTION OF THE DIALOGUE BUT NO EVIDENCE OF ANY PROGRESS ON THE GROUND. THE CHURCH REFUSES TO BECOME SUBSTANTIVELY INVOLVED WITH THE GOVERNMENT UNLESS SOLIDARITY JOINS IN. WALESA REFUSES TO START TALKING UNLESS HIS PRESIDUM AND HIS CLOSEST ADVISERS ARE RELEASED WITH HIM. NOTHING HAS COME OF THE MILITARY LEADERSHIP'S PRE-CHRISTMAS TALKS WITH THE INTELLECTUALS AND TRYBUNA LUDU OF 6 JANUARY DEVOTED MANY COLUMNS TO A STRONG ATTACK BY RAKOWSKI ON THE INTELLECTUALS. GOVERNMENT LEADERS TELL THE WEST THAT MANY ELEMENTS IN SOLIDARITY ARE READY TO COOPERATE BUT, OF THE ONLY TWO NAMES SO FAR PRODUCED, ONE (GOTOWSKI) CANNOT BE TRACED BY ANY WESTERN EMBASSY HERE AND THE OTHER (BRUNNE), WHO HAS BEEN IN THE US FOR THE PAST FOUR WEEKS, HAS SAID HE WISHES TO REVERT TO HIS FORMER SCIENTIFIC WORK ON RETURN TO POLAND.

6. ON THE CREDIT SIDE, THERE ARE MODEST SIGNS THAT THE MARTIAL COUNCIL IS TRYING TO HAND SOME POWER BACK TO THE CIVILIAN GOVERNMENT. AT A PRESS CONFERENCE ON 29 DECEMBER GENERAL SZACILO

~~COUNCIL IS TRYING TO HAND SOME POWER BACK TO THE CIVILIAN GOVERNMENT.~~ AT A PRESS CONFERENCE ON 29 DECEMBER GENERAL SZACILO FORMALLY ACKNOWLEDGED THE LEADING ROLE OF THE PARTY. HALF OF THE RULING INNER DIRECTORATE IS CIVILIAN. THE COUNCIL OF STATE AND THE COUNCIL OF MINISTERS HAVE BEEN MEETING. WE READ MORE ABOUT THE DAILY ACTIVITIES OF INDIVIDUAL MINISTERS IN THE PRESS. THE MARTIAL COUNCIL DECIDED TO SUBMIT WITNESSES FOR A TRIBUNAL OF STATE TO THE SEJM INSTEAD OF GOING AHEAD ANYHOW. THE CENTRAL COMMITTEE HAS BEEN MEETING YESTERDAY AND TODAY.

7. THE LIST IS SMALL, HOWEVER, AND THE RETURN TO POLITICAL NORMALITY IS SLIGHT. HAVING ACHIEVED THEIR PRIMARY AIMS OF DESTROYING SOLIDARITY, IMPOSING MARTIAL LAW AND STAMPING OUT ACTIVE OPPOSITION IN THE COUNTRY. POLAND'S MILITARY RULERS ARE VISIBLY HAVING DIFFICULTY IN BUILDING UP SOME OTHER FORM OF POLITICAL PARTNERSHIP TO TAKE THE PLACE OF THE SYSTEM THEY HAVE PULLED DOWN. I BELIEVE THAT THEY HAVE NOW SETTLED FOR THE LONG HAUL. THEY ARE NOT PREPARED TO START A GENUINE DIALOGUE WITH EITHER THE CHURCH OR SOLIDARITY OR BOTH TOGETHER BUT ARE INSISTING ON STRICT PRECONDITIONS FOR ANY NEGOTIATIONS. AND IN THE ABSENCE OF TALKS ON THEIR TERMS THE EASIEST AND SAFEST RECIPE IS "SIT TIGHT". THE PRESENT POLISH LEADERSHIP LACKS THE SELF-CONFIDENCE TO LIFT MARTIAL LAW, THE FLEXIBILITY TO TALK MEANINGFULLY WITH THE TWO ORGANISATIONS THAT BEST REPRESENT THE POLISH PEOPLE SEMI COLON AND THE IMAGINATION TO BREAK OUT OF THEIR SELF-IMPOSED SHELL.

8. BUT ^{EM} THEY STILL CARE ABOUT THE WEST. THEY CONTINUE TO WOO WESTERN EUROPE, WHILE WRITING OFF THE US. AND IT IS IN THIS AREA, AND PARTICULARLY IN THE FINANCIAL AND ECONOMIC TALKS THAT SHOULD BE TAKING PLACE THIS MONTH BETWEEN POLAND AND HER GOVERNMENTAL AND PRIVATE CREDITORS, THAT WE HAVE THE BEST CHANCE OF EXERTING PRESSURE ON JARUZELSKI AND HIS COLLEAGUES. I VERY MUCH HOPE THEREFORE THAT, IN THE EC AND IN NATO, WE WILL CONTINUE TO URGE THAT WE SHOULD FREEZE ANY CREDITS OR NEW MONEY TO POLAND FOR 1982 SEMI COLON AND THAT WE SHOULD LINK ANY PROGRESS ON RESCHEDULING 1982 DEBTS WITH PROGRESS ON THE THREE VITAL ISSUES OF MARTIAL LAW, THE DETAINEES AND THE RESUMPTION OF THE DIALOGUE.

FCO PLEASE PASS SAVING TO ALL SAVING ADDRESSEES

[[PASSED BY U.S.D.]]

POLAND:

ADVANCE COPIES.

20

PS
PS/1

PS/LORD TREFGARNE

PS/PUS

~~MR BULLARD~~

MR FERGUSSON

~~SIR A AGLAND~~

~~MR GILLMORE~~

MR. P. Wright

NO 10 DOWNING ST
ASSESSMENT STAFF
CABINET OFFICE
DIO CABINET OFFICE

D/By 080900Z

ADVANCE COPIES

IMMEDIATE

HD/EESD
HD/DEF D
HD/PUSD(2)
HD/WED
HD/ECD(E)
HD/PLANNING STAFF
HD/NEWS D
HD/CONS D
HD/CONS EM UNIT
RESIDENT CLERK

2010

GRS 900

CONFIDENTIAL

DESKBY 080900Z

FM WARSAW 071750Z JAN 82

TO IMMEDIATE FCO

TELNO 059 OF 7TH JANUARY 1982

INFO IMMEDIATE: UKDEL NATO, PARIS, BONN, WASHINGTON AND MOSCOW.

INFO SAVING: SOFIA, PRAGUE, BUCHAREST, BUDAPEST, EAST BERLIN
AND BELGRADE.

POLISH SITUATION.

1. IT IS NOW NEARLY FOUR WEEKS SINCE JARUZELSKI IMPOSED MARTIAL
LAW ON POLAND. WITH NATO FOREIGN MINISTERS MEETING IN BRUSSELS ON
11 JANUARY, IT MAY BE TIMELY TO ATTEMPT AN ASSESSMENT OF THE
CURRENT POSITION.

2. FROM AN INTERNAL SECURITY POINT OF VIEW, POLAND IS NOW QUIET.
EVEN THOUGH WE HAVE NO MEANS OF FIRST-HAND CONFIRMATION, I AM
PREPARED TO BELIEVE THAT THERE IS NO, OR VERY LITTLE, ACTIVE
RESISTANCE IN THE COUNTRY IN THE SHAPE OF DEMONSTRATIONS, STRIKES,
SIT-INS OR OTHER PUBLIC OBJECTION. THERE IS ALMOST CERTAINLY
CLANDESTINE ACTIVITY FROM THOSE OPPOSED TO THE REGIME, NOTABLY
SOLIDARITY, WHICH IN WARSAW AT LEAST IS BEGINNING TO SHOW SIGNS OF
SOME ORGANISATIONAL ABILITY. AND THERE IS ALSO PASSIVE RESISTANCE
IN FACTORIES ETC.

IN FACTORIES ETC.

3. MARTIAL LAW IS STILL WITH US. SOME IMPROVEMENTS HAVE BEEN ANNOUNCED BUT THEY DO NOT AMOUNT TO MUCH (SHORTER CURFEW HOURS, TRAVEL FOR 30 KMS OUTSIDE WARSAW INSTEAD OF CITY LIMITS, LIMITED TELEPHONE COMMUNICATION WITHIN 10 OUT OF 49 VOIVODSHIPS, SOME INTERNAL FLIGHTS ETC). IN THE ABSENCE OF ANY PROGRESS ON THE POLITICAL FRONT, IT WILL NOT BE EASY NOW TO OFFER ANY SUBSTANTIVE CONCESSIONS IN THE NEXT FEW WEEKS. LIFT TRAVEL RESTRICTIONS OR RESTORE FULL TELEPHONE LINKS AND SOLIDARITY WILL AT ONCE THREATEN ON A GENERAL FRONT AND NOT IN ISOLATED ACTS OF RESISTANCE. TAKE AWAY ROAD BLOCKS, PATROLLING SOLDIERS, MENACING ARMORED VEHICLES AND TOUGH MILITARY COURTS HANDING OUT SUMMARY JUSTICE AND THE PEOPLE'S ANGER AT THE QUALITY OF THERE LIFE UNDER MARTIAL LAW, AT THE SWINGEING RETAIL PRICE RISES (WITH LITTLE OR NO FUNANCIAL COMPENSATION) AND OF SMALLER RATIONS COULD EASILY SPILL OVER INTO ANTI-GOVERNMENT DEMONSTRATIONS.

4. ALTHOUGH THE GOVERNMENT CLAIMS THAT MANY DETAINEES HAVE BEEN RELEASED, THEIR TOTAL NUMBER REMAINS OBSTINATELY AROUND THE 5000 MARK. ON THE WHOLE THEY ARE SAID TO BE WELL-TREATED. BUT THE AUTHORITIES' GROWING FRUSTRATION AT THEIR INABILITY TO PERSUADE ANY OF THE WELL-KNOWN SOLIDARITY DETAINEES TO COLLABORATE WAS SHOWN BY JARUZELSKI'S AND RAKOWSKI'S RECENT REFERENCES TO THE NEED TO KEEP THE SOLIDARITY DETAINEES ISOLATED AND EVEN TO CONTEMPLATE LETTING THEM LEAVE POLAND.

5. ON THE POLITICAL FRONT THERE HAS BEEN MUCH GOVERNMENT-INSPIRED TALK ABOUT THE RESUMPTION OF THE DIALOGUE BUT NO EVIDENCE OF ANY PROGRESS ON THE GROUND. THE CHURCH REFUSES TO BECOME SUBSTANTIVELY INVOLVED WITH THE GOVERNMENT UNLESS SOLIDARITY JOINS IN. WALESA REFUSES TO START TALKING UNLESS HIS PRESIDUM AND HIS CLOSEST ADVISERS ARE RELEASED WITH HIM. NOTHING HAS COME OF THE MILITARY LEADERSHIP'S PRE-CHRISTMAS TALKS WITH THE INTELLECTUALS AND TRYBUNA LUDU OF 6 JANUARY DEVOTED MANY COLUMNS TO A STRONG ATTACK BY RAKOWSKI ON THE INTELLECTUALS. GOVERNMENT LEADERS TELL THE WEST THAT MANY ELEMENTS IN SOLIDARITY ARE READY TO COOPERATE BUT, OF THE ONLY TWO NAMES SO FAR PRODUCED, ONE (GOTOWSKI) CANNOT BE TRACED BY ANY WESTERN EMBASSY HERE AND THE OTHER (BRUNNE) WHO HAS BEEN IN THE US FOR THE PAST FOUR WEEKS, HAS SAID HE WISHES TO REVERT TO HIS FORMER SCIENTIFIC WORK ON RETURN TO POLAND.

6. ON THE CREDIT SIDE, THERE ARE MODEST SIGNS THAT THE MARTIAL COUNCIL IS TRYING TO HAND SOME POWER BACK TO THE CIVILIAN GOVERNMENT. AT A PRESS CONFERENCE ON 29 DECEMBER GENERAL SZACHO

COUNCIL IS TRYING TO HAND SOME POWER BACK TO THE CIVILIAN GOVERNMENT. AT A PRESS CONFERENCE ON 29 DECEMBER GENERAL SZACILO FORMALLY ACKNOWLEDGED THE LEADING ROLE OF THE PARTY. HALF OF THE ~~THE~~ ~~INNER~~ ~~DIRECTORATE~~ IS CIVILIAN. THE COUNCIL OF STATE AND THE COUNCIL OF MINISTERS HAVE BEEN MEETING. WE READ MORE ABOUT THE DAILY ACTIVITIES OF INDIVIDUAL MINISTERS IN THE PRESS. THE MARTIAL COUNCIL DECIDED TO ~~SUBMIT~~ ^{S ITS PLANS} ~~ITS PLANS~~ FOR A TRIBUNAL OF STATE TO THE SEJM INSTEAD OF GOING AHEAD ANYHOW. THE CENTRAL COMMITTEE HAS BEEN MEETING YESTERDAY AND TODAY.

7. THE LIST IS SMALL, HOWEVER, AND THE RETURN TO POLITICAL NORMALITY IS SLIGHT. HAVING ACHIEVED THEIR PRIMARY AIMS OF DESTROYING SOLIDARITY, IMPOSING MARTIAL LAW AND STAMPING OUT ACTIVE OPPOSITION IN THE COUNTRY. POLAND'S MILITARY RULERS ARE VISIBLY HAVING DIFFICULTY IN BUILDING UP SOME OTHER FORM OF POLITICAL PARTNERSHIP TO TAKE THE PLACE OF THE SYSTEM THEY HAVE PULLED DOWN. I BELIEVE THAT THEY HAVE NOW SETTLED FOR THE LONG HAUL. THEY ARE NOT PREPARED TO START A GENUINE DIALOGUE WITH EITHER THE CHURCH OR SOLIDARITY OR BOTH TOGETHER BUT ARE INSISTING ON STRICT PRECONDITIONS FOR ANY NEGOTIATIONS. AND IN THE ABSENCE OF TALKS ON THEIR TERMS THE EASIEST AND SAFEST RECIPE IS "SIT TIGHT". THE PRESENT POLISH LEADERSHIP LACKS THE SELF-CONFIDENCE TO LIFT MARTIAL LAW, THE FLEXIBILITY TO TALK MEANINGFULLY WITH THE TWO ORGANISATIONS THAT BEST REPRESENT THE POLISH PEOPLE SEMI COLON AND THE IMAGINATION TO BREAK OUT OF THEIR SELF-IMPOSED SHELL.

8. BUT TH^{EY} STILL CARE ABOUT THE WEST. THEY CONTINUE TO WOO WESTERN EUROPE, WHILE WRITING OFF THE US. AND IT IS IN THIS AREA, AND PARTICULARLY IN THE FINANCIAL AND ECONOMIC TALKS THAT SHOULD BE TAKING PLACE THIS MONTH BETWEEN POLAND AND HER GOVERNMENTAL AND PRIVATE CREDITORS, THAT WE HAVE THE BEST CHANCE OF EXERTING PRESSURE ON JARUZELSKI AND HIS COLLEAGUES. I VERY MUCH HOPE THEREFORE THAT, IN THE EC AND IN NATO, WE WILL CONTINUE TO URGE THAT WE SHOULD FREEZE ANY CREDITS OR NEW MONEY TO POLAND FOR 1982 SEMI COLON AND THAT WE SHOULD LINK ANY PROGRESS ON RESCHEDULING 1982 DEBTS WITH PROGRESS ON THE THREE VITAL ISSUES OF MARTIAL LAW, THE DETAINEES AND THE RESUMPTION OF THE DIALOGUE.

FCO PLEASE PASS SAVING TO ALL SAVING ADDRESSEES

PASSED BY G.C.D.I

CONFIDENTIAL

CONFIDENTIAL

DESKBY 070900Z

FM WASHINGTON 070449Z JAN 82

TO IMMEDIATE F C O

TELEGRAM NUMBER 42 OF 7 JANUARY

INFO IMMEDIATE UKDEL NATO (DESKBY 070900), BONN, PARIS, PRIORITY
OTHER NATO POSTS, UKREP BRUSSELS
INFO SAVING DUBLIN.

MY TELNO 39 (NOT TO ALL): POLAND

1. WE HAVE NOW OBTAINED FROM THE STATE DEPARTMENT THE FOLLOWING DRAFT (NOT YET FINALLY APPROVED BY HAIG) WHICH THEY ARE LIKELY TO CIRCULATE TOMORROW AS THE BASIS FOR THE COMMUNIQUE AT THE NATO MINISTERIAL MEETING. IN ADDITION, THE STATE DEPARTMENT WILL BE BRIEFING US AND THE OTHER ALLIES TOMORROW ON SOME SPECIFIC ECONOMIC MEASURES ON WHICH THEY HOPE THE ALLIES MIGHT AGREE. THEY REALISE THAT IT WILL PROBABLY NOT BE POSSIBLE TO GET A DECISION ON SUCH MEASURES AT THE MEETING ON MONDAY BUT HOPE THAT SIGNIFICANT PROGRESS CAN BE MADE IN THE DISCUSSION ON THAT OCCASION:

ALLIANCE POLICY DECLARATION ON POLAND

THE PROCESS OF RENEWAL AND REFORM WHICH HAD BEEN UNDERWAY IN POLAND SINCE AUGUST 1980 WAS ONE OF THE MOST HOPEFUL DEVELOPMENTS TO HAVE TAKEN PLACE SINCE THE END OF WORLD WAR II. LIBERALIZATION IN POLAND, RESULTING FROM THE OVERWHELMING PRESSURE OF THE MAJORITY, PROMISED TO GIVE EFFECTIVE VOICE TO THE GOALS AND ASPIRATIONS OF A PROUD PEOPLE. THIS PROCESS OFFERED THE PROSPECT OF FULFILLMENT OF THE HOPES HELD IN BOTH THE WEST AND THE EAST THAT ENHANCED STABILITY IN EUROPE WOULD BRING WITH IT A MORE DECENT AND OPEN LIFE FOR THE OPPRESSED.

BUT THE REPRESSION OF THE POLISH PEOPLE THREATENS TO REVERSE THE GAINS OF THE PAST 16 MONTHS, TO STRIP FROM THE POLISH PEOPLE THEIR HARD-WON RIGHTS AND FREEDOMS, AND TO DESTROY THE BASIS FOR THE RECONCILIATION AND COMPROMISE WHICH ARE NECESSARY TO POLISH PROGRESS AND STABILITY.

THIS OPPRESSION CONSTITUTES A MASSIVE VIOLATION OF THE HELSINKI FINAL ACT FOR WHICH THE POLISH AUTHORITIES AND THE SOVIET UNION BEAR FULL RESPONSIBILITY. THE ACTIONS OF THE POLISH AUTHORITIES ARE A CLEAR FAILURE TO ABIDE BY PRINCIPLE VII OF THE FINAL ACT, CONCERNING RESPECT FOR HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS. THE PRESSURES AND THREATS OF THE SOVIET UNION WHICH LED TO THESE ACTIONS BY THE POLISH AUTHORITIES, AND SOVIET COMPLICITY IN THE CONTINUING SUPPRESSION OF THE POLISH PEOPLE, ALSO ARE IN VIOLATION OF THE SOVIET UNION'S UNDERTAKINGS UNDER THE FINAL ACT, PARTICULARLY WITH REGARD TO PRINCIPLES I (SOVEREIGN EQUALITY, RESPECT FOR THE RIGHTS INHERENT IN SOVEREIGNTY); II (REFRAINING FROM THE THREAT OR USE OF FORCE); III (NON-INTERVENTION IN INTERNAL AFFAIRS); AND VIII (EQUAL RIGHTS AND SELF-DETERMINATION OF PEOPLES).

CONFIDENTIAL

/THE NATO

THE NATO ALLIES CALL FOR A RESTORATION OF THE PROCESS OF RENEWAL IN POLAND BASED ON THE RELEASE OF THOSE DETAINED, RECONCILIATION, GENUINE NEGOTIATION AND COMPROMISE. ONLY THUS CAN THE BASIC RIGHTS OF THE POLISH PEOPLE BE PROTECTED AND THE ECONOMIC AND SOCIAL PROGRESS OF THE COUNTRY BE SECURED. ONLY THUS CAN THE FREEDOM OF POLISH WORKERS BE ENHANCED. BUT THIS WILL NOT BE POSSIBLE SO LONG AS OPPRESSION BY THE POLISH AUTHORITIES AND INTERFERENCE BY THE SOVIET UNION PERSIST. THE CONSTRUCTIVE EAST-WEST RELATIONSHIP WHICH THE NATO ALLIES SEEK DEPENDS UPON REALIZATION OF THESE GOALS.

INDEED, THE PERSISTENCE OF REPRESSION IN POLAND IS ERODING THE POLITICAL FOUNDATION FOR PROGRESS ON THE FULL AGENDA OF ISSUES WHICH DIVIDE EAST AND WEST. THE ALLIES REMAIN COMMITTED TO THE PURSUIT OF ARMS CONTROL AND STAND BY THE INITIATIVES CONTAINED IN PRESIDENT REAGAN'S NOVEMBER 18 SPEECH. THE SOVIET UNION WILL BEAR FULL RESPONSIBILITY IF ITS INTERFERENCE IN POLAND AND FAILURE TO LIVE UP TO EXISTING INTERNATIONAL OBLIGATIONS DAMAGE THE ARMS CONTROL PROCESS.

PROSPECTS FOR AGREEMENT ON A MANDATE FOR A CONFERENCE ON DISARMAMENT IN EUROPE HAVE BEEN DAMAGED BY THE SUPPRESSION OF THE POLISH PEOPLE. IN VIEW OF THIS BLATANT CHALLENGE TO THE HELSINKI FINAL ACT, THE ALLIES WILL INTENSIFY THEIR EFFORTS IN MADRID TO BRING ABOUT GREATER RESPECT FOR AND STRENGTHENING OF THE CSCE PROCESS. THEY CALL FOR AN IMMEDIATE RESUMPTION OF THE MADRID CONFERENCE AT MINISTERIAL LEVEL TO CONSIDER VIOLATIONS OF THE FINAL ACT AND TO PURSUE REMEDIAL ACTIONS.

THE GENEVA TALKS ON INTERMEDIATE-RANGE NUCLEAR FORCES WILL RESUME ON JANUARY 12. IMPROVEMENT OF THE TREATMENT OF THE POLISH PEOPLE WOULD HELP CREATE THE ATMOSPHERE OF MUTUAL CONFIDENCE AND RESTRAINT REQUIRED FOR PROGRESS TOWARD MEANINGFUL RESULTS IN THESE NEGOTIATIONS.

BECAUSE PRODUCTIVE RELATIONS WITH THE SOVIET UNION AND POLISH AUTHORITIES HAVE BEEN MADE MOST DIFFICULT BY THE SUPPRESSION OF THE POLISH PEOPLE, THE ALLIES WILL INSTITUTE THE FOLLOWING STEPS:

A. RESTRICTIONS ON SOVIET AND POLISH DIPLOMATIC MISSIONS AND ORGANIZATIONS.

B. CURTAILMENT OF CULTURAL, ACADEMIC, AND SCIENTIFIC EXCHANGES.

THE ALLIES WILL ALSO INTENSIFY THEIR EFFORT TO BRING TO THE ATTENTION OF WORLD PUBLIC OPINION AND INTERNATIONAL ORGANIZATIONS THE CRIMES BEING COMMITTED AGAINST THE POLISH PEOPLE.

CONFIDENTIAL

SO LONG AS THE SITUATION IN POLAND DOES NOT IMPROVE, ECONOMIC INTERCOURSE WITH POLAND AND THE SOVIET UNION CANNOT CONTINUE AS BEFORE. THE ALLIES WELCOMED THE DETERMINATION OF THE UNITED STATES TO SEND A STRONG SIGNAL OF DISAPPROVAL OF THE POLISH SITUATION IN THE FORM OF ECONOMIC MEASURES. THEY WILL DO NOTHING TO WEAKEN THE EFFECTS OF THOSE MEASURES OR MEASURES TAKEN BY ANY OTHER ALLY. THE ALLIES ARE ACTIVELY CONSULTING ON ECONOMIC STEPS PARALLEL TO THOSE TAKEN BY THE UNITED STATES. THEY WANT THERE TO BE NO DOUBT THAT CONTINUATION OF REPRESSION IN POLAND WILL FURTHER AFFECT EAST-WEST ECONOMIC RELATIONS.

THE ALLIES HOPE THAT THERE WILL SOON BE NO REASON FOR SUCH ACTIONS, AND THAT NORMAL ECONOMIC AND POLITICAL INTERCOURSE WITH POLAND AND THE SOVIET UNION CAN BE RESUMED. WITH RECONCILIATION AND A RESTORATION OF THE PROCESS OF RENEWAL IN POLAND, THE WEST WOULD STAND PREPARED TO DO ITS SHARE TO ASSIST POLAND TO OVERCOME ITS SEVERE ECONOMIC PROBLEMS AND EMBARK ON A NEW PERIOD OF PROGRESS AND PROSPERITY. IN ANY CASE, HUMANITARIAN AID TO THE POLISH PEOPLE, WITH APPROPRIATE GUARANTEES THAT IT WILL REACH THOSE FOR WHOM IT IS INTENDED, WILL NOT BE AFFECTED BY ANY OTHER MEASURES DECIDED UPON BY THE ALLIES. THIS ASSISTANCE WILL BE MAINTAINED, AND WHERE POSSIBLE AND APPROPRIATE, INCREASED.

FCO PASS SAVING DUBLIN

THOMAS

[REPETITION TO REYKJAVIK
REFERRED FOR DEPARTMENTAL DECISION
REPEATED AS REQUESTED TO OTHER POSTS]

POLAND SPECIAL
STANDARD

EEED
CSCE UNIT
NAD
SED
WED
ECD (E)
ESID
FED
CAD
SAD

TRED
ERD
SEC D
OLA
CONS D
CONS EM UNIT
CABINET OFFICE

ADDITIONAL DISTR.
POLAND SPECIAL

[COPIES SENT TO NO 10 DOWNING ST]



10 DOWNING STREET

From the Private Secretary

7 January 1982

REPLY BY THE PRIME MINISTER TO PRESIDENT REAGAN'S LETTER OF 24 DECEMBER

Francis Richards wrote to me yesterday enclosing a possible draft reply to President Reagan's letter of 24 December.

The Prime Minister was not entirely happy with the draft. As discussed on the telephone this morning, I enclose a fresh draft which I propose to submit to the Prime Minister this evening. I should be grateful for any reactions you may have as soon as possible today.

AJC

Brian Fall, Esq.,
Foreign and Commonwealth Office.

DRAFT LETTER FROM THE PRIME MINISTER TO PRESIDENT REAGAN

I was grateful for your letter of 24 December about your messages to General Jaruzelski and to President Brezhnev.

Before replying, I wanted to see what progress was made in our discussions with our European partners in the New Year. You obviously had a good meeting with Helmut Schmidt earlier this week, and he will have given you an account of the meeting of the Ten Foreign Ministers in Brussels on 4 January. The task of reconciling views and interests among ten different countries is not easy. ^{now} But I am less than happy with the ^{and you will be aware of some particular difficulties} reaction of some European countries so far. I hope we shall be able to go further in the continuing consultations which lie ahead. We fought hard for the statement in the Ten's Communique of 4 January that: "other measures will be considered as the situation in Poland develops, in particular measures concerning credit and economic assistance to Poland, and measures concerning the Community's commercial policy with regard to the USSR". ^{will be helpful in this connexion} So the last word has not been said. We shall certainly be pushing in the same direction as you, believing as I do in the importance of the Western Alliance and the way of life for which we stand.

We must ensure that the focus of attention is directed where it belongs - ^{at} on a blatant example of the failures of the Soviet system and Soviet ideas - and not ^{at} on differences between Alliance partners whose aims are identical.

Nevertheless, the outcome as reflected in the Ten's Communique is better than at one stage seemed likely and reflects ideas to which we fought hard.

1981 was an eventful year for us all. I send you my warm regards and best wishes for 1982.

IMMEDIATE

25
~~27~~

POLAND: ADVANCE COPIES

PS
PS/LPS

PS/LORD TREFGARNE
PS/PUS
MR BULLARD
MR FERGUSSON
SIR A ACLAND (2)
MR GILLMORE

NO 10 DOWNING ST
ASSESSMENT STAFF
CABINET OFFICE
DIO CABINET OFFICE

HD/EESD (4)
HD/DEF D
HD/PUSD (2)
HD/WED
HD/ECD(E)
HD/PLANNING STAFF
HD/NEWS D
HD/CONS D
HD/CONS EM UNIT
RESIDENT CLERK

CONFIDENTIAL

FM WARSAW 071640Z JAN 82

TO IMMEDIATE FCO

TELNO 056 OF 7TH JANUARY 1982

INFO IMMEDIATE: UKDEL NATO, PARIS, BONN, WASHINGTON AND MOSCOW.

INFO SAVING: EAST BERLIN, PRAGUE, BUDAPEST, MODUK, SOFIA, BUCHAREST,
BELGRADE, HELSINKI, STOCKHOLM, UKMIS NEW YORK AND UKREP BRUSSELS.

POLISH SITUATION:

1. DEPUTY FOREIGN MINISTER WIEJACZ ASKED ME TO CALL THIS AFTERNOON TO HAND OVER A LETTER FROM GENERAL JARUZELSKI FOR ONWARD TRANSMISSION TO THE PRIME MINISTER. (THE ORIGINAL, IN POLISH, WILL COME BY NEXT BAG AND OUR TRANSLATION IS IN MIFT).

2. WIEJACZ EXPLAINED THAT, IN ADDITION TO REPLYING TO CHANCELLOR SCHMIDT (WHOM WE KNEW HAD WRITTEN TO JARUZELSKI) AND PRESIDENT REAGAN (ABOUT WHICH WE HAD HEARD NOTHING AT THIS END), GENERAL JARUZELSKI HAD TAKEN THE OPPORTUNITY TO SEND ADDITIONAL LETTERS TO THE HEADS OF GOVERNMENT OF SOME TEN COUNTRIES WITH WHOM POLAND HAD

~~THE HEADS OF GOVERNMENT OF SOME TEN COUNTRIES WITH WHOM POLAND HAD PARTICULARLY CLOSE RELATIONS. I KNOW THAT THE AMBASSADORS OF GERMANY, FRANCE, BELGIUM AND CANADA CALLED AT THE MFA TODAY. WIEJACZ THEN TOOK ME QUICKLY THROUGH THE LETTER WHICH MADE MANY OF THE SAME POINTS AS IN JARUZELSKI'S MEETING WITH EC HEADS OF MISSION ON 4 JANUARY (MY TELEGRAM NO 12).~~

3. I ASKED HIM WHETHER HE COULD PICK UP DEVELOPMENTS FROM WHERE JARUZELSKI HAD LEFT OFF AND TELL ME SOMETHING ABOUT THE FUTURE. HE SAID THE PROCESS OF NORMALISATION WAS CONTINUING. ZYCIE WARSZAWY WOULD APPEAR ON MONDAY AS WOULD A NEW PAPER RZECZPOSPOLITA, WHICH WOULD BE A GOVERNMENT PRESS SPOKESMAN. TELEXES SHOULD BE RESTORED TO EMBASSIES NEXT WEEK AND HE HOPED TELEPHONES WOULD START RINGING AGAIN SOON. TALKS WITH THE CHURCH WENT ON ALL THE TIME AND THERE WAS NOW MORE ACTIVITY WITH SOLIDARITY LEADERS. BRUNNE, THE FORMER SOLIDARITY SPOKESMAN, HAD RETURNED TO POLAND AND HAD HAD TALKS YESTERDAY WITH MINISTER CIOSEK. IN REPLY TO MY QUESTION, HE CONFIRMED THAT BRUNNE WOULD NOW BE RETURNING TO SCIENTIFIC WORK. WIEJACZ COULD NOT NAME ANY SOLIDARITY LEADERS CURRENTLY CO-OPERATING WITH THE GOVERNMENT BUT SAID HE KNEW THERE WERE SOME FORMER NATIONAL COMMISSION MEMBERS. NON-PARTY MEMBERS OF THE SEJM LED BY SZCZEPANSKI WERE CURRENTLY DISCUSSING NEW INITIATIVES WHICH MIGHT INVOLVE ALL POLISH POLITICAL PARTIES. THE CENTRAL COMMITTEE HAD MET YESTERDAY AND WAS CONTINUING ITS SESSION TODAY. IN THE ECONOMIC FIELD HE DREW MY ATTENTION TO TUESDAY'S RECORD DAILY PRODUCTION OF COAL, WHICH AMOUNTED TO 623,000 TONS.

4. WIEJACZ THEN EXPRESSED HIS OWN AND POLISH OFFICIAL DISAPPOINTMENT WITH THE COMMUNIQUE OF THE TEN ON 4 JANUARY AND IN PARTICULAR FOR ITS CALL FOR A SPECIAL SESSION OF THE CSCE. HE OBJECTED, BOTH BECAUSE IT WOULD BE DEVOTED TO POLAND AND BECAUSE OF THE SUGGESTION THAT IT SHOULD BE AT MINISTERIAL LEVEL. I REPLIED THAT HE OUGHT NOT TO BE SURPRISED AT THE TEN'S COMMUNIQUE, WHICH FOLLOWED UP AND STRENGTHENED THE DEMARCHE WHICH I HAD MADE ON BEHALF OF THE TEN TO CZYREK ON 22 DECEMBER. WEST EUROPEAN GOVERNMENTS, REPRESENTING WESTERN PUBLIC OPINION, WERE NATURALLY CONCERNED AT THE VIOLATIONS OF THE HELSINKI FINAL ACT WHICH WERE STILL OCCURRING IN THIS COUNTRY. WIEJACZ DID NOT DENY THIS BUT PROTESTED THAT THE IMPOSITION OF MARTIAL LAW WAS ONLY TEMPORARY. I ASKED WHEN "TEMPORARY" BECAME "SEMI-PERMANENT". WIEJACZ THEN SAID THERE WAS NO POINT IN INTERNATIONALISING THE POLISH PROBLEM, TO WHICH I REPLIED THAT, AS HE WELL KNEW, THE PROBLEM WAS ALREADY IN THE INTERNATIONAL SPHERE.

5. WIEJACZ THEN WENT ON TO COMPLAIN ABOUT BBC COVERAGE ON MUCH THE SAME LINES AS KLACZYNSKI YESTERDAY (OUR TELEGRAM NO 40). I REPLIED THAT THE ANSWER SURELY WAS TO LIFT RESTRICTIONS ON JOURNALISTS AND WIEJACZ SAID THAT THEY WERE PLANNING TO DO THIS AS SOON AS POSSIBLE AND PROBABLY EARLY NEXT WEEK. I THEN MENTIONED THE JAMMING OF BBC POLISH LANGUAGE BROADCASTS AND THE PROTEST THAT HAD BEEN MADE TO STANISZEWSKI IN LONDON. WIEJACZ SAID HE HAD HAD NO REPORT FROM THE AMBASSADOR, BUT THE BBC WAS BEING VERY PROVOCATIVE. I REPLIED THAT JAMMING WAS HARDLY A CONSTRUCTIVE RESPONSE.

6. WIEJACZ CONCLUDED BY ASKING WHAT I THOUGHT WOULD EMERGE FROM THE NATO FOREIGN MINISTERS' MEETING ON 11 JANUARY. I SAID I HAD NO INSTRUCTIONS ON THIS BUT THE BEST WAY FOR THE POLISH GOVERNMENT TO SECURE UNDERSTANDING FROM THE WEST WOULD BE TO MAKE SOME SUBSTANTIVE PROGRESS ON THE THREE MAIN POINTS WHICH CAUSED US CONCERN, MARTIAL LAW, THE DETAINEES AND THE RESUMPTION OF THE DIALOGUE. WIEJACZ PROTESTED THAT THE DEVELOPMENTS HE HAD INDICATED IN PARAGRAPH 3 ABOVE WERE SURELY ENOUGH TO CONVINCING THE WEST THAT THE POLISH AUTHORITIES WERE DOING ALL THEY COULD ON THESE THREE POINTS. I SAID I DOUBTED IT.

FCO PLEASE PASS SAVING TO ALL SAVING ADDRESSEES

MELHUI SH

NNNN



10 DOWNING STREET

THE PRIME MINISTER

This is much too long. I am not sure we can reach a solution. I hope we shall be able to go further.

I was grateful for your letter of 24 December about your messages to General Jaruzelski and to President Brezhnev.

Further... I do

You will have discussed with Helmut Schmidt the meeting the Ten Foreign Ministers held in Brussels on 4 January. The task of reconciling views and interests among ten different countries is not an easy one. *And I am less than happy with the European* But I am encouraged that both you and we see the *reaches to far* objectives in exactly the same light. I hope that, in the consultations which lie ahead, it will be possible to build on what emerged from the meeting on 4 January. We will certainly be pushing in the same direction as you, even though the detailed steps may be somewhat different. This is the view I expressed in a New Year's Eve interview with the British media and the one which Peter Carrington has pressed hard in meetings of the Ten.

in the... I think... and... high... for... which... it... stand

I am sure that our efforts should be devoted to ensuring that the focus of attention lies where it belongs - on a further example of the failure of the Soviet system and ideas - and not on playing up differences between alliance partners whose aims are identical.

1981 was an eventful year for us all. I send you my warm regards and best wishes for 1982.

The President of the United States of America



Ref: B06368

PRIME MINISTER

c Sir Robert Armstrong

Poland

BACKGROUND

Your ad hoc Ministerial meeting tomorrow afternoon is being held at the Foreign and Commonwealth Secretary's suggestion, to decide what line he should take on economic measures vis-a-vis Poland - and, in the Polish context, vis-a-vis the Soviet Union --at various impending international meetings. The most important of these is his highly secret meeting with his American, French and German colleagues on 10th January; but for security reasons he may prefer at your meeting to refer only to the NATO Foreign Ministers meeting on 11th January and subsequent further meetings of the Ten.

2. Your meeting will have before it a letter from the Foreign and Commonwealth Secretary's office setting out the issues for immediate decision, with recommendations. Although this will not issue until late tonight at earliest it will be based on extensive interdepartmental consultations at official level under Cabinet Office auspices, and will therefore take full account of other Ministers' likely views. It should not in itself prove very contentious, because no really difficult decisions are needed at this stage. But your colleagues will be well aware that further ahead lie all the problems, familiar from the Afghanistan and Iran contexts, of how to reconcile the political imperatives of foreign policy with the economic imperatives of a nation which lives by trade.

3. As regards Poland itself, the letter will make clear that no sanctions are at present contemplated. But decisions are needed on how slow to go on our outstanding programme of economic assistance to Poland. On this, the letter will annex and endorse an interdepartmentally agreed paper by officials recommending that almost everything should be frozen until at least the end of January, when political and economic conditions can be reviewed. The only exceptions are the 1981 rescheduling arrangements (which should stand); short-term credit (which has only been continued for commercial reasons and should be terminated now that these have disappeared); and possibly some credit for the Ursus project (if necessary in order to prevent Massey Ferguson pulling out before the situation has clarified).



4. On the Soviet Union, the letter will suggest that business-orientated contacts should continue but that we should explore our allies' attitude in a number of fringe areas, eg bilateral agreements and possibly higher European Community tariffs against Soviet goods. On the crucial question of what we should do (or not do) in order to avoid undermining American sanctions, it will suggest further exploration by officials both of what the Americans have in mind and of the conditions under which we could help them. The latter, at the Secretary of State's insistence, are likely to be fairly stringent: eg we should not get ahead of our European partners, nor attack existing contracts.

5. There is clearly much scope in the future for disagreements both between our allies (notably the Americans and Germans) and between British Ministers (who on the economic side are deeply sceptical of the wisdom and efficacy of any sanctions). This reinforces the argument for limiting tomorrow's discussion to taking decisions which are immediately needed; to giving the Foreign and Commonwealth Secretary a general steer for his international approach; and to reassuring his colleagues that they are not going to be bounced into substantive sanctions without adequate collective debate.

6. The Chancellor of the Exchequer and the Secretaries of State for Trade and Industry will be present, as well as the Foreign and Commonwealth Secretary. The Minister of Agriculture cannot be; but his Department's interests are not controversial as regards Poland and are not involved as regards the Soviet Union.

7. Brussels telegram no. 2 gives the Ten Foreign Ministers' communique of 4th January; the crucial passage on "no undermining" is in paragraph 7. Washington telegram no. 3950 of 29th December gives President Reagan's statement on American sanctions against the Soviet Union.

HANDLING

8. After asking the Foreign and Commonwealth Secretary to introduce his office's letter you could conveniently deal first with the purely Polish issues, which should prove relatively simple. All present are likely to endorse the holding action he will be proposing.



9. The main focus of the meeting can then be the Soviet issues. On these you will need the Secretary of State for Trade's comments in particular; and the Chancellor of the Exchequer and the Secretary of State for Industry will also have views. It should not be too difficult to endorse the highly tentative line which the Foreign and Commonwealth Secretary wishes to take in the next few days. But you may like to underline the need for further collective discussion, eg next week in OD, when American and European attitudes are clearer; and to allow some preliminary discussion of the major underlying issues, as follows -

a. Is the general British approach to the Polish crisis likely to prove robust enough in terms both of domestic opinion and of East-West relations generally?

b. To the extent that we cannot prevent some divergence between American and European policies, would we exacerbate or mitigate the situation by overtly backing the Americans?

c. What are any sanctions intended to achieve? What developments would justify their withdrawal?

CONCLUSION

10. The discussion is likely to enable your summing up to support the limited proposals in the Foreign and Commonwealth Office letter but to note that British policy will require further collective consideration as the international prospects become clearer. In other words, the difficult decisions are still to come.

6th January 1982

R L WADE-GERY

GRPS 630

UNCLASSIFIED

FM BRUSSELS 041815Z JAN 81

TO IMMEDIATE FCO

TELNO 002 OF 04 JAN

INFO IMMEDIATE PEKING(DESKBY 042400Z) AND WASHINGTON
INFO PRIORITY UKDEL NATO, UKREP BRUSSELS, ATHENS, ROME, THE HAGUE,
COPENHAGEN, LUXEMBOURG, DUBLIN, PARIS, BONN, MOSCOW, WARSAW,
EAST BERLIN, SOFIA, PRAGUE, BUDAPEST, BUCHAREST, BELGRADE,
UKDEL STRASBOURG, ANKARA, LISBON, MADRID, UKMIS N YORK, OSLO,
STOCKHOLM, HELSINKI, TOKYO, OTTAWA.

INFORMAL MEETING OF THE FOREIGN MINISTERS OF THE TEN, BRUSSELS
4 JANUARY 1982.

FINAL COMMUNIQUE AS FOLLOWS:

1. THE TEN UTTERLY DISAPPROVE OF THE DEVELOPMENT OF THE SITUATION IN POLAND.
2. THEY HAVE NOTED THE DECLARATIONS OF THE POLISH LEADERSHIP OF ITS INTENTION TO MAINTAIN NATIONAL INDEPENDENCE AND TO REESTABLISH IN THE NEAR FUTURE LIBERTY AND THE PROCESS OF REFORM AS WELL AS RESUMING THE DIALOGUE WITH THE VARIOUS ELEMENTS OF THE POLISH NATION. UNHAPPILY THE TEN MUST NOTE TODAY THAT, CONTRARY TO THESE DECLARATIONS, WHAT HAS TAKEN PLACE HAS NOT BEEN DIALOGUE BUT REPRESSION BRINGING IN ITS TRAIN VIOLATIONS OF THE MOST ELEMENTARY HUMAN AND CITIZEN'S RIGHTS, CONTRARY TO THE HELSINKI FINAL ACT, THE UNITED NATIONS CHARTER, AND THE UNIVERSAL DECLARATION OF HUMAN RIGHTS.
3. THE TEN THEREFORE APPEAL URGENTLY TO THE POLISH AUTHORITIES TO END AS SOON AS POSSIBLE THE STATE OF MARTIAL LAW, TO RELEASE THOSE ARRESTED, AND TO RESTORE A GENUINE DIALOGUE WITH THE CHURCH AND SOLIDARITY.
4. THE SIGNIFICANCE OF THESE GRAVE EVENTS EXTENDS BEYOND POLAND ITSELF. THE INABILITY OF THE SYSTEM IN EASTERN EUROPE TO ACCEPT THE MODIFICATIONS NECESSARY TO MEET THE LEGITIMATE ASPIRATIONS OF THE PEOPLE IS SUCH AS TO ENDANGER PUBLIC CONFIDENCE IN THE POSSIBILITY OF COOPERATIVE LINKS WITH THE EAST, AND THUS SERIOUSLY TO AFFECT INTERNATIONAL RELATIONS. IN THIS CONTEXT THE TEN NOTE WITH CONCERN AND DISAPPROVAL THE SERIOUS EXTERNAL PRESSURE AND THE CAMPAIGN DIRECTED BY THE U.S.S.R. AND OTHER EASTERN EUROPEAN COUNTRIES AGAINST THE EFFORTS FOR RENEWAL IN POLAND.
5. THIS ALREADY GRAVE SITUATION WOULD BE FURTHER AGGRAVATED IF IT LED TO AN OPEN INTERVENTION BY THE WARSAW PACT. FOR THIS REASON THE TEN WISH TO ISSUE A SOLEMN WARNING AGAINST ANY SUCH INTERVENTION.
6. THE TEN ARE TOTALLY IN SYMPATHY WITH THE POLISH PEOPLE AND ARE WILLING TO CONTINUE THE DIRECT HUMANITARIAN AID TO THEM.

P

17.

7. THE TEN HAVE TAKEN NOTE OF THE ECONOMIC MEASURES TAKEN BY THE UNITED STATES GOVERNMENT WITH REGARD TO THE U.S.S.R. THE TEN WILL UNDERTAKE IN THIS CONTEXT CLOSE AND POSITIVE CONSULTATIONS WITH THE UNITED STATES GOVERNMENT AND WITH THE GOVERNMENTS OF OTHER WESTERN STATES IN ORDER TO DEFINE WHAT DECISIONS WILL BEST SERVE THEIR COMMON OBJECTIVES AND TO AVOID ANY STEP WHICH COULD UNDERMINE THEIR RESPECTIVE ACTIONS.

8. DEVELOPMENTS IN POLAND CONSTITUTE A GRAVE VIOLATION OF THE PRINCIPLES OF THE HELSINKI FINAL ACT. THE TEN THEREFORE CONSIDER THAT THE MADRID CONFERENCE SHOULD DISCUSS THEM AS SOON AS POSSIBLE AT MINISTERIAL LEVEL. THE TEN WILL MAKE APPROACHES TO THE NEUTRAL AND NON-ALIGNED STATES TO PROPOSE AN EARLY RESUMPTION OF THE MADRID MEETING.

9. THE TEN WILL WORK IN THE UNITED NATIONS AND ITS SPECIALISED AGENCIES FOR A DENUNCIATION OF VIOLATIONS OF HUMAN RIGHTS AND ACTS OF VIOLENCE.

10. OTHER MEASURES WILL BE CONSIDERED AS THE SITUATION IN POLAND DEVELOPS, IN PARTICULAR MEASURES CONCERNING CREDIT AND ECONOMIC ASSISTANCE TO POLAND, AND MEASURES CONCERNING THE COMMUNITY'S COMMERCIAL POLICY WITH REGARD TO THE U.S.S.R. IN ADDITION THE TEN WILL EXAMINE THE QUESTION OF FURTHER FOOD AID TO POLAND.

11. THE TEN HAVE CALLED ON THE POLISH AUTHORITIES BOTH NATIONALLY AND THROUGH THE PRESIDENCY TO LIFT ABNORMAL AND UNACCEPTABLE RESTRICTIONS WHICH HAVE BEEN PLACED ON THE WORK OF EMBASSIES, REPRESENTATIVES OF THE MEDIA, AIR SERVICES AND OTHER COMMUNICATIONS IN POLAND.

12. THE TEN WILL STUDY WHAT CAN BE DONE TO ALLEVIATE THE SITUATION OF POLES OUTSIDE POLAND WHO DO NOT WISH TO RETURN TO THEIR COUNTRY UNDER PRESENT CIRCUMSTANCES.

13. REPORT FOLLOWS FROM FCO.

HARTLAND-SWANN

POLAND SPECIAL
STANDARD

EEED
CSCE UNIT
NAD
SED
WED
ECD (E)
ESID
FED
CAD
SAD

TRED
ERD
SEC D
OLA
CONS D
CONS EM UNIT
CABINET OFFICE

ADDITIONAL DISTN.
POLAND SPECIAL

[COPIES SENT TO NO 10 DOWNING ST]

GRS 800

UNCLASSIFIED
FM WASHINGTON 292200Z DEC 81
TO IMMEDIATE FCO
TELEGRAM NUMBER 3950 OF 29 DECEMBER

INFO PRIORITY UKDEL NATO BONN PARIS WARSAW MOSCOW UKREP BRUSSELS
MODUK (DS 11, DPS)
ROUTINE OTHER NATO/EC POSTS

YOUR TELNO 1998 (NOT TO ALL) AND 1999: POLAND : US MEASURES
AGAINST THE SOVIET UNION

1. FOLLOWING IS TEXT OF PRESIDENT REAGAN'S STATEMENT TODAY ON
MEASURES WITH IMMEDIATE AFFECT AGAINST THE SOVIET UNION.

QUOTE

THE SOVIET UNION BEARS A HEAVY AND DIRECT RESPONSIBILITY
FOR THE REPRESSION IN POLAND. FOR MANY MONTHS THE SOVIETS
PUBLICLY AND PRIVATELY DEMANDED SUCH A CRACKDOWN. THEY BROUGHT
MAJOR PRESSURES TO BEAR THROUGH NON-PUBLIC LETTERS TO THE POLISH
LEADERSHIP, MILITARY MANEUVERS, AND OTHER FORMS OF INTIMIDATION.
THEY NOW OPENLY ENDORSE THE SUPPRESSION WHICH HAS ENSUED.

LAST WEEK I ANNOUNCED THAT I HAD SENT A LETTER TO PRESIDENT
BREZHNEV URGING HIM TO PERMIT THE RESTORATION OF BASIC HUMAN
RIGHTS IN POLAND AS PROVIDED FOR IN THE HELSINKI FINAL ACT. I
ALSO INFORMED HIM THAT, IF THE REPRESSION CONTINUED, THE UNITED
STATES WOULD HAVE NO CHOICE BUT TO TAKE FURTHER CONCRETE POLITICAL
AND ECONOMIC MEASURES AFFECTING OUR RELATIONSHIP.

THE REPRESSION IN POLAND CONTINUES, AND PRESIDENT BREZHNEV HAS
RESPONDED IN A MANNER WHICH MAKES IT CLEAR THE SOVIET UNION DOES
NOT UNDERSTAND THE SERIOUSNESS OF OUR CONCERN, AND ITS OBLIGATIONS
UNDER BOTH THE HELSINKI FINAL ACT AND THE U.N. CHARTER. I HAVE,
THEREFORE, DECIDED TO TAKE THE FOLLOWING IMMEDIATE MEASURES WITH
REGARD TO THE SOVIET UNION:

- ALL AEROFOLT SERVICE TO THE UNITED STATES WILL BE SUSPENDED.
- THE SOVIET PURCHASING COMMISSION IS BEING CLOSED.
- THE ISSUANCE OR RENEWAL OF LICENSES FOR THE EXPORT TO THE
USSR OF ELECTRONIC EQUIPMENT, COMPUTERS AND OTHER
HIGH-TECHNOLOGY MATERIALS IS BEING SUSPENDED.
- NEGOTIATIONS ON A NEW LONG-TERM GRAINS AGREEMENT ARE BEING
POSTPONED.
- NEGOTIATIONS ON A NEW US - SOVIET MARITIME AGREEMENT
ARE BEING SUSPENDED, AND A NEW REGIME OF PORT-ACCESS
CONTROLS WILL BE PUT INTO EFFECT FOR ALL SOVIET SHIPS
WHEN THE CURRENT AGREEMENT EXPIRES ON DECEMBER 31.

/ -- LICENSES

- LICENSES WILL BE REQUIRED FOR EXPORT TO THE SOVIET UNION FOR AN EXPANDED LIST OF OIL AND GAS EQUIPMENT. ISSUANCE OF SUCH LICENSES WILL BE SUSPENDED. THIS INCLUDES PIPELAYERS.
- US - SOVIET EXCHANGE AGREEMENTS COMING UP FOR RENEWAL IN THE NEAR FUTURE, INCLUDING THE AGREEMENTS ON ENERGY AND SCIENCE AND TECHNOLOGY, WILL NOT BE RENEWED. THERE WILL BE A COMPLETE REVIEW OF ALL OTHER US - SOVIET EXCHANGE AGREEMENTS.

THE UNITED STATES WANTS A CONSTRUCTIVE AND MUTUALLY BENEFICIAL RELATIONSHIP WITH THE SOVIET UNION. WE INTEND TO MAINTAIN A HIGH-LEVEL DIALOGUE. BUT WE ARE PREPARED TO PROCEED IN WHATEVER DIRECTION THE SOVIET UNION DECIDES UPON -- TOWARDS GREATER MUTUAL RESTRAINT AND COOPERATION, OR FURTHER DOWN A HARSH AND LESS REWARDING PATH. WE WILL WATCH EVENTS IN POLAND CLOSELY IN COMING DAYS AND WEEKS. FURTHER STEPS MAY BE NECESSARY AND I WILL BE PREPARED TO TAKE THEM. AMERICAN DECISIONS WILL BE DETERMINED BY SOVIET ACTIONS.

SECRETARY HAIG HAS BEEN IN COMMUNICATION WITH OUR FRIENDS AND ALLIES ABOUT THE MEASURES WE ARE TAKING AND EXPLAINED WHY WE BELIEVE SUCH STEPS ARE ESSENTIAL AT THIS TIME.

ONCE AGAIN I CALL UPON THE SOVIET UNION TO RECOGNIZE THE CLEAR DESIRE OF THE OVERWHELMING MAJORITY OF THE POLISH PEOPLE FOR A PROCESS OF NATIONAL RECONCILIATION, RENEWAL AND REFORM.

UNQUOTE

HENDERSON

FCO WHITCHALL
EESD

ADDITIONAL DIST:
POLAND



Foreign and Commonwealth Office

London SW1A 2AH

6 January 1982

Dear John

Poland

I understand that the Prime Minister is to hold a meeting at 1700 hrs tomorrow. You will wish to know where matters now stand on Poland, and in particular what response we and our partners in the Ten might be able to make to the US request for support for the measures against Poland and the Soviet Union announced by President Reagan on 23 and 29 December. There is quite a lot of ground to be covered and I apologise for the length of what follows.

The regime in Poland following the imposition of martial law on 13 December is now entering its fourth week. The repressive nature of the regime has become clear although it would be premature to reach any final judgements about General Jaruzelski's long-term intentions or his room for manoeuvre. Meanwhile our public stance has, as you know, been adjusted to reflect sharp condemnation of what has happened in Poland as well as the Soviet Union's role.

At the meeting of the Ten Foreign Ministers on 4 January there was no fundamental disagreement over the Soviet Union's complicity in and responsibility for the imposition of martial law in Poland. This is an encouraging step forward, as is the fact that most Ministers present spoke firmly of the need to preserve Western unity and particularly not to undermine the US measures. We are at one with the United States on our immediate objectives to press for the lifting of martial law, the release of the detainees and the resumption of a dialogue between the Polish authorities, the Church and Solidarity.

A very intense period of consultation both within the Alliance and the Community lies ahead. The NATO Ministerial meeting on 11 January could prove difficult, given the existing differences of interest and opinion among the Ten. Nevertheless attention must remain focussed on the real crisis in Poland and not on divisions among the Alliance partners. We need therefore to join with them in measures which, while not identical with those the US have announced, do show our clear support.

It will not be possible to take final decisions on all these questions on 11 January. A number of them fall to be taken in the Community, through preparation in COREPER leading to decisions at the Foreign Affairs Council on 25-26 January.

/There



There may be some discussion at the EC Foreign Ministers' meeting on 14 January, but that is of course intended to deal with the mandate.

This is the background against which, bilaterally and in the Ten, we have made our views clear about developments in Poland. The scope for political action against the Soviet Union is not great. Following Afghanistan we have already reduced our contacts to the essential minimum. One obvious opening is to use the Madrid Review Conference. At the meeting of Foreign Ministers of the Ten on 4 January we agreed to press for the early reconvening of the Review Conference at Ministerial level to discuss the grave violations of the Helsinki Final Act and, if this takes place, it will give a further early opportunity to put the Soviet Union and Poland in the dock.

The following are specific points which now arise for decision in connection with Poland and the Soviet Union (against whom the Americans are pressing us to take economic measures).

POLAND

/ [REDACTED] I attach a note by officials making recommendations on a number of economic aspects of our relations with Poland. Lord Carrington hopes that these can be agreed. He would like to draw attention to two points in particular.

/ The URSUS project We need to think further about the balance of advantage, political, economic and industrial in the continuation or otherwise of this project. I understand that officials of the Department of Trade are examining these issues in consultation with Massey-Ferguson. We should await their report before taking decisions. Meanwhile, a summary of the present position is contained in an annex to the officials' paper.

EC Food Supplies Lord Carrington thinks that it would be wrong for the Community to offer further subsidised food to Poland. Although there will be opposition to this view within the Community from those who have a national interest in continuing to export Community surpluses to Poland, he asks his colleagues to agree that any consideration of further supplies of subsidised food to Poland must be made dependent on significant movement towards lifting martial law and resuming the reform process. As there will be strong public and Parliamentary pressure on governments to respond urgently to the serious shortages of food in Poland, he would like to ask the EC to agree that further community funds be made available for humanitarian supplies to be distributed by voluntary and church agencies in Poland. This would be a humanitarian gesture most likely to serve the interests of the Polish people.

/Two other



Two other questions should be mentioned. Poland has applied for readmission to the IMF. The application is now under consideration by the Fund's authorities but will move very slowly. We need not take specific blocking action for the time being. But we should look again at this later in the year when substantive decisions are more imminent.

The Americans have announced that they will be proposing a tightening of the restrictions on high technology exports to Poland under the COCOM rules. Given the very small percentage of our trade that would be affected by such a move we would see no reason to oppose this if our other Allies were also willing to go along with the Americans.

Then there is the question of Polish refugees. The question is sensitive and has already aroused a considerable amount of Parliamentary interest. The Home Secretary has agreed not to return any Pole to Poland against his will. Lord Carrington welcomes this, and hopes that we can also play a helpful part in response to the request from Chancellor Kreisky (now supported by the UN High Commissioner for Refugees) for assistance in the re-settlement of the large number of Polish refugees in Austria. He will be pursuing this question separately with the Home Secretary.

There is also the question of what we should say to the Poles, Parliament and press about these decisions. As far as the Poles are concerned, until we are in a position to make a collective announcement with our other allies, we should continue to take the line that while we are willing when circumstances permit to return our relations, including economic relations, to their former level, present circumstances make this impossible. We will need to see how far we have got in taking decisions before deciding whether to make a formal announcement of these measures in Parliament when it reconvenes on 14 January. The press line should continue to be that reflected in the communique following the 4 January meeting, which was that measures including those concerning credit and economic assistance to Poland would be considered as the situation in Poland developed.

/ SOVIET UNION



SOVIET UNION

I attach the text of President Reagan's statement of 29 December setting out US measures against the Soviet Union. It is not entirely clear what the impact of these measures will be on Europe's trade with the Soviet Union, especially as regards the gas pipeline and high technology exports. I understand that officials are looking further into these aspects.

The Americans have pressed the allies to take complementary action. While they are not necessarily looking for measures identical to their own, they have made it clear that they want a convincing display of unity and support through concerted action. Lord Carrington thinks it important that we should make a positive response and that our approach should be guided by the following two considerations: first, any action which we take should be closely coordinated with our Community partners and with the other main Western industrialised countries; and, second, existing contracts should not be affected.

Our broad objectives should be to secure agreement on means to ensure that the United States' measures are not undermined. How we give effect to the commitment not to undermine the US measures gives rise to a number of important and complex questions which will need to be carefully studied by officials and worked out with our EC and other partners to ensure that we are in line. We should also seek agreement to measures which would generally support those taken by the US but would not be identical.

Restrictions on Imports of Soviet Manufactures At the meeting on 4 January the Commission raised the possibility of increasing restrictions on imports of Soviet manufactured goods into the Community. A reference was made to this in the communique. We should encourage the Commission to produce proposals. These are likely to be either increases in quantitative restrictions or in tariffs. Lord Carrington hopes that on examination we shall be able to agree to some form of restrictions on these lines. This is a field where he believes that, provided we act collectively, we could achieve a significant political gesture at very limited economic cost.

COCOM The Americans have asked for our support in placing further limitations on exports of high technology goods to the Soviet Union. This is something we shall need to look at carefully at the high-level meeting of officials planned for 16/18 January where the Americans will no doubt make their views clearer.

/Maritime Agreement



✓ Maritime Agreement The Americans have suspended negotiations on a new maritime agreement with the Soviet Union. Our own Maritime Agreement has not worked in our favour. Lord Carrington hopes that it can be agreed that he should be able to say that we were prepared to give notice of termination of the Agreement. We shall of course have to consider the position of those of our partners who have similar agreements and who could usefully be encouraged to take similar action.

Factory Fishing Lord Carrington has circulated to colleagues a minute he sent to the Minister of Agriculture on the possibility of using the proposed new licensing system for the transfer of fish caught by UK fishermen, to discriminate against Soviet factory ships. Flag A. While the introduction of licensing is a measure we may be taking for conservation reasons, he thinks it would be wrong to miss the opportunity of presenting this as part of a package of measures we might be prepared to take against the Soviet Union.

Bilateral Exchange Agreements Lord Carrington thinks we ought to be prepared to follow the US lead and, in conjunction with our partners, state that we will not renew any scientific, technical or similar exchange agreements with the Soviet Union that fall due for renewal and will confine the implementation of existing agreements in these fields to routine exchanges. If a package along these lines is to be agreed, we will need to think carefully about ministerial and other contacts with the Soviet Union. These have already been reduced to a routine level and confined to essential business, mainly in the trade field. He believes that such contacts should continue. At present these include a CBI Economic Round Table visit to the Soviet Union in February, the Anglo/Soviet Joint Commission meeting in May and indeed Mr Rees' speech at the British-Soviet Chamber of Commerce lunch on 21 January.

I am copying this letter to John Kerr (HM Treasury), Kate Timms (MAFF), John Rhodes (Department of Trade), Ian Ellison (Department of Industry) and David Wright (Cabinet Office).

9 Mrs Carr,

(B J P Fall)
Private Secretary

A J Coles
 10 Downing Street

ECONOMIC POLICY TOWARDS POLAND

Note by Officials

INTRODUCTION

1. At their meeting on 12 November (OD(81) 17th Meeting, Minute 2), the Defence and Oversea Policy Committee considered various aspects of economic assistance towards Poland, prior to the imposition of martial law in that country. They took decisions on the rescheduling of outstanding debts and on the provision of credit. This note reviews the position and sets out official advice, interdepartmentally agreed on the handling of outstanding issues. Since earlier decisions on Poland have distinguished between action relating to the calendar year 1981 and 1982, this division is retained in this note for the sake of clarity.

RESCHEJULING: 1981

Government Guaranteed Credit

2. In 1981 Poland reached agreement with 15 major creditor governments for the rescheduling of government guaranteed debt due for repayment between May and December 1981 (together with arrears up to 1 May). Ninety percent of the principal and interest was rescheduled over four years with a four year grace period.

3. The texts of the bilateral and multilateral agreements both permit suspension without notice "if exceptional circumstances are observed" - a provision which has become known as the "tank clause". The effect of such a suspension would be to render the debts due on their original dates. As the Poles could not find the \$2 billion or so involved, they would be virtually obliged to declare a moratorium for which they would blame the West. In these circumstances, it is our view and that of our main allies that, although present conditions in Poland would justify invoking the tank clause, it is not in our interests to do so, at least for the time being. Departments therefore recommend that no action should be taken as regards the 1981 rescheduling agreement.

Unguaranteed Commercial Debt

4. The Poles were due to sign an agreement with representatives of 460 commercial banks and other commercial creditors on 10 December. This would have provided for

rescheduling of 95 per cent of principal, but not interest. A prior condition was the repayment of arrears of interest thought to amount to about \$500 million. The Poles have asked a number of banks to contribute to bridging finance of \$350 million for six months to meet these arrears. They have also asked several Western governments either to contribute or encourage their banks to do so. The banks have told the Poles they are not willing to provide bridging finance; nor is any Western government expected to do so. In these circumstances, Departments see no reason for HMG to consider a contribution.

RESCHEDULING: 1982

Guaranteed Debt

5. In November 1981, the major creditor governments agreed in principle to reschedule Poland's debt repayments for 1982 on broadly the same terms as for 1981 provided that the Poles signed the 1981 rescheduling agreement with the banks. At the United States' insistence, the rescheduling was to be in two six month stages, the second depending on Poland's economic progress in the first six months. The creditors were to meet the Poles again on 14/15 January to finalise and sign the agreement.

6. There would be little advantage to Western creditors in refusing to reschedule for 1982. The only effect would be to make it impossible for the Poles to meet their financial obligations. It is in our interest that the debts be handled in an orderly manner; rescheduling would contribute to this. But there would be political disadvantages in reopening negotiations with the Poles at present, particularly since rescheduling is widely (if mistakenly) regarded as an instrument of Western generosity. It would be possible to postpone the next meeting with the Poles for a month or two as a gesture of disapproval. This would also suit the creditors since it would enable them to pause until the situation in Poland ^{and} the outcome of negotiations with commercial banks was clearer. The French, as hosts to the Joint Commission, will soon consult other creditor governments; they have already indicated to the Poles that an invitation to them is in doubt. Officials recommend that we should favour a meeting in January confined to creditor governments, with the Poles being put off for an indefinite period; and that we should review this issue at the end of January.

PROVISION OF OFFICIALLY GUARANTEED CREDIT

7. The following paragraphs refer to credit cover under four different headings: short term cover; unspent credit on projects authorised before 1981; medium term credit authorised in 1981; and new credit for 1982. It does not make sense to set over-riding policy guidelines to determine the handling of each type of credit, given the variations in circumstances and in the balance of advantage to the United Kingdom. But officials consider that there are also common factors: in particular the need to demonstrate political disapproval of current Polish policies, to keep open the possibility of responding to improvements in the situation, and to allow time to see whether the Poles can bring their economy under control. They therefore recommend that certain issues should be reviewed by Ministers, and suggest that the end of January would be an appropriate time for this review to take place.

(a) Short term cover

8. Ministers decided (OD(81)8th Meeting) to permit Export Credits Guarantee Department (ECGD) to maintain short term cover facilities for Poland up to a liability limit of £10 million. Accordingly ECGD has been maintaining a limited facility for Comprehensive Guarantee policy-holders selling essential goods and commodities to Poland on payment terms of up to 180 days credit, secured by Irrevocable Letter of Credit (ILCs) issued by Bank Handlowy. ECGD's outstanding liability is at present estimated to be no higher than £6 million. In present circumstances normal commercial transactions with Poland are not possible. Moreover the prospects that the Poles will be able to keep up to date with their short-term repayment obligations appear poor. In addition, this type of cover does not lend itself to such effective control of the type of goods which may be supplied as is the case with terms of credit. Officials therefore recommend that the short term cover facility for Poland should now be withdrawn altogether.

(b) Unspent credit on projects authorised before 1981

9. Three main projects are involved -

i. URSUS TRACTOR FACTORY

When the Defence and Overseas Policy Committee decided on 12 November that ECGD should be directed to allow up to £30 million to be drawn during 1982 for this Massey Ferguson Perkins project, they had in mind that it would have represented the main British contribution to assisting Poland in 1982. Completion of the project would also, in the view of officials, help to secure improvements in

Polish agriculture which would reduce the strain on the Polish balance of payments and so facilitate the repayment of outstanding debts (a detailed account of the financing of this project and of ECGD's responsibilities in relation to it is appended to this note). The project is also of very great importance to Massey Ferguson who may however prove to depend on the continuing flow of officially guaranteed credit to keep the project alive.

Nevertheless officials do not think that, in Poland's immediate political and economic situation, further credit cover should be given. They therefore recommend that we should neither withdraw from the project nor authorise additional credit for it pending the review referred to in paragraph 7 above, unless the Secretary of State for Trade advises his colleagues that the circumstances of Massey Ferguson make an earlier review essential.

ii. LOT TERMINAL

The Lot Terminal project in Warsaw has been suspended as a result of the dispute between the contractual parties. Although the possibility cannot be entirely excluded that the Poles and the British firm involved, Cementation, will find a way of resolving their dispute, ^{the} only further drawing against the loan is likely to be an arbitration award in favour of Cementation on termination of the contract. This would increase Polish indebtedness by perhaps £10 million, but would be inescapable under the terms of ECGD's cover for Cementation. Officials invite Ministers to note the position.

iii. PVC FACTORY

About £10 million remains to be drawn to complete the PVC project. For the present ECGD are suspending further drawings on this line of credit; but a prolonged suspension might prejudice prospects of eventual repayment. Officials recommend that no further drawings should be allowed pending the outcome of the review referred to in paragraph 7 above.

(c) Medium term line of credit authorised in 1981

10. Altogether OD authorised ECGD to make available in 1981 £65 million of new Medium Term credit to Poland. Of this total £22 million has yet to be disbursed, but ECGD is committed in principle to support up to a further £10 million of orders in the pipeline and might face litigation if it withdrew from these commitments. These commitments include the cover necessary to implement the British contribution to the European Community food aid packages so far agreed (i.e. the first two tranches, and the first instalment of the third tranche). Of the remaining

£12 million, approximately £5.4 million has been provisionally earmarked by Ministers to support the sale of food exports and the remainder for industrial goods.

11. Since the imposition of martial law in Poland ECGD has stopped processing new business with Poland pending a decision by Ministers on how to proceed with applying the limited amount of cover available. Apart from the scope available for physical and administrative delay it would also be possible to cancel the undisbursed £12 million credit on the technical grounds that the period during which contracts were to be placed expired on 31 December. However, cancellation of this credit would make it impossible, without fresh Ministerial decisions, for the United Kingdom to participate in the provision of any further tranches of European Community food aid that may be agreed. Officials consider, however, that the political justification for providing subsidised European Community food supplies (and the national credit to enable the Poles to purchase them) no longer exists and expect that enough European Community members will agree that this is the case to enable further tranches of Community food aid (other than humanitarian assistance) to be blocked. Officials recommend therefore that we should work to this end within the Community and that we should not in any case allow the outstanding 1981 credit to be used for food or industrial exports pending the outcome of the review referred to in paragraph 7 above.

(d) New credit for 1982

12. OD decided on 12 November not to make available any fresh credit in 1982, subject to reconsideration in the event of a request by the United States for contributions towards a major rescue operation. That contingency now appears less likely to arise. Officials see no reason therefore for proposing the provision of any new credit for Poland in present circumstances.

Recommendations

Officials therefore invite Ministers to agree that -

- i. We should not suspend the 1981 agreement for rescheduling Government guaranteed Polish debts (paragraph 3);

- ii. The Government should not contribute to the \$350 million bridging loan sought by the Poles (paragraph 4);
- iii. We should work for the postponement for the time being of negotiations for an official rescheduling agreement covering 1982 (paragraph 6);
- iv. Short term cover for exports to Poland should be withdrawn altogether (paragraph 8);
- v. Drawings on the outstanding lines of credit for the URSUS and PVC factory projects should be suspended for the time being (paragraph 9i and iii);
- vi. Any drawings on the line of credit for the LOT Terminal project necessary for contractual reasons should be made (paragraph 9ii);
- vii. The £12 million not yet committed from the lines of medium term credit authorised in 1981 should be suspended for the time being (paragraph 11);
- viii. The government should oppose for the time being any further exports of European Community food to Poland at subsidised prices (paragraph 11).
- ix. There is at present no case for the provision of fresh credits for Poland (paragraph 12);
- x. The matters covered by recommendations iii., v., vii., viii., and ix. above should be reviewed at the end of January.

Cabinet Office

6 January 1981

The Ursus project involves the construction of a facility for the production of Massey Ferguson Perkins type tractors and engines. Begun in 1974 and due for completion in 1980/81 the project has been partly financed by three ECGD guaranteed lines of credit, two in sterling and the third in US dollars with a total value of some £275m. To (to end of 1981) some £140m has been drawn of which £21m has been repaid.

The project is now three to four years behind schedule. On 12 November Ministers instructed that of the £135m as yet undrawn of the loans already in place a further £30m might be utilised in 1982.

Effect was to be given to the provision of this £30m tranche - and to the revision of the repayment terms of the previously drawn tranches as well as the remaining credit to be drawn outside the general rescheduling of Polish debts - by supplementary agreements due to be signed in the week beginning 14 December 1981. This intention was overtaken by the imposition of martial law on 13 December and although, technically, there is no obstruction to the signature by Barclays of the supplemental agreement relating to the sterling element of that tranche (£7m) ECGD has requested that the Bank do not sign. ECGD was to be a signatory to the US dollar element and is, therefore, able to control that situation.

ECGD believe in the present circumstances the arguments against releasing any further loan funds to Poland are strong from a financial point of view. They do not consider however that there is an immediate need to take any action and would accept that the matter ride pending clarification of the Polish situation. Massey Ferguson Perkins have indicated, however, that there is a risk that the continuing uncertainty over the further disbursement of credit and the costs which they are continuing to incur through paying their design team may force them to reconsider their involvement in this project.

UNCLASSIFIED

FM WASHINGTON 292200Z DEC 81
TO IMMEDIATE FCO
TELEGRAM NUMBER 3950 OF 29 DECEMBER

(FCO/WH)

INFO PRIORITY UKDEL NATO BONN PARIS WARSAW MOSCOW UKREP BRUSSELS
MODUK (DS 11, DPS)
ROUTINE OTHER NATO/EC POSTSYOUR TELNO 1998 (NOT TO ALL) AND 1999: POLAND : US MEASURES
AGAINST THE SOVIET UNION1. FOLLOWING IS TEXT OF PRESIDENT REAGAN'S STATEMENT TODAY ON
MEASURES WITH IMMEDIATE AFFECT AGAINST THE SOVIET UNION.

QUOTE

THE SOVIET UNION BEARS A HEAVY AND DIRECT RESPONSIBILITY FOR THE REPRESSION IN POLAND. FOR MANY MONTHS THE SOVIETS PUBLICLY AND PRIVATELY DEMANDED SUCH A CRACKDOWN. THEY BROUGHT MAJOR PRESSURES TO BEAR THROUGH NON-PUBLIC LETTERS TO THE POLISH LEADERSHIP, MILITARY MANEUVERS, AND OTHER FORMS OF INTIMIDATION. THEY NOW OPENLY ENDORESE THE SUPPRESSION WHICH HAS ENSUED.

LAST WEEK I ANNOUNCED THAT I HAD SENT A LETTER TO PRESIDENT BREZHNEV URGING HIM TO PERMIT THE RESTORATION OF BASIC HUMAN RIGHTS IN POLAND AS PROVIDED FOR IN THE HELSINKI FINAL ACT. I ALSO INFORMED HIM THAT, IF THE REPRESSION CONTINUED, THE UNITED STATES WOULD HAVE NO CHOICE BUT TO TAKE FURTHER CONCRETE POLITICAL AND ECONOMIC MEASURES AFFECTING OUR RELATIONSHIP.

THE REPRESSION IN POLAND CONTINUES, AND PRESIDENT BREZHNEV HAS RESPONDED IN A MANNER WHICH MAKES IT CLEAR THE SOVIET UNION DOES NOT UNDERSTAND THE SERIOUSNESS OF OUR CONCERN, AND ITS OBLIGATIONS UNDER BOTH THE HELSINKI FINAL ACT AND THE U.N. CHARTER. I HAVE, THEREFORE, DECIDED TO TAKE THE FOLLOWING IMMEDIATE MEASURES WITH REGARD TO THE SOVIET UNION:

- ALL AEROFOLT SERVICE TO THE UNITED STATES WILL BE SUSPENDED.
- THE SOVIET PURCHASING COMMISSION IS BEING CLOSED.
- THE ISSUANCE OR RENEWAL OF LICENSES FOR THE EXPORT TO THE USSR OF ELECTRONIC EQUIPMENT, COMPUTERS AND OTHER HIGH-TECHNOLOGY MATERIALS IS BEING SUSPENDED.
- NEGOTIATIONS ON A NEW LONG-TERM GRAINS AGREEMENT ARE BEING POSTPONED.

- HIGH-TECHNOLOGY MATERIALS IS BEING SUSPENDED.
- NEGOTIATIONS ON A NEW LONG-TERM GRAINS AGREEMENT ARE BEING POSTPONED.
 - NEGOTIATIONS ON A NEW US - SOVIET MARITIME AGREEMENT ARE BEING SUSPENDED, AND A NEW REGIME OF PORT-ACCESS CONTROLS WILL BE PUT INTO EFFECT FOR ALL SOVIET SHIPS WHEN THE CURRENT AGREEMENT EXPIRES ON DECEMBER 31.
 - LICENSES WILL BE REQUIRED FOR EXPORT TO THE SOVIET UNION FOR AN EXPANDED LIST OF OIL AND GAS EQUIPMENT. ISSUANCE OF SUCH LICENSES WILL BE SUSPENDED. THIS INCLUDES PIPELAYERS.
 - US - SOVIET EXCHANGE AGREEMENTS COMING UP FOR RENEWAL IN THE NEAR FUTURE, INCLUDING THE AGREEMENTS ON ENERGY AND SCIENCE AND TECHNOLOGY, WILL NOT BE RENEWED. THERE WILL BE A COMPLETE REVIEW OF ALL OTHER US - SOVIET EXCHANGE AGREEMENTS.

THE UNITED STATES WANTS A CONSTRUCTIVE AND MUTUALLY BENEFICIAL RELATIONSHIP WITH THE SOVIET UNION. WE INTEND TO MAINTAIN A HIGH-LEVEL DIALOGUE. BUT WE ARE PREPARED TO PROCEED IN WHATEVER DIRECTION THE SOVIET UNION DECIDES UPON -- TOWARDS GREATER MUTUAL RESTRAINT AND COOPERATION, OR FURTHER DOWN A HARSH AND LESS REWARDING PATH. WE WILL WATCH EVENTS IN POLAND CLOSELY IN COMING DAYS AND WEEKS. FURTHER STEPS MAY BE NECESSARY AND I WILL BE PREPARED TO TAKE THEM. AMERICAN DECISIONS WILL BE DETERMINED BY SOVIET ACTIONS.

SECRETARY HAIG HAS BEEN IN COMMUNICATION WITH OUR FRIENDS AND ALLIES ABOUT THE MEASURES WE ARE TAKING AND EXPLAINED WHY WE BELIEVE SUCH STEPS ARE ESSENTIAL AT THIS TIME.

ONCE AGAIN I CALL UPON THE SOVIET UNION TO RECOGNIZE THE CLEAR DESIRE OF THE OVERWHELMING MAJORITY OF THE POLISH PEOPLE FOR A PROCESS OF NATIONAL RECONCILIATION, RENEWAL AND REFORM.

UNQUOTE

HENDERSON

NNNN



10 DOWNING STREET

From the Private Secretary

6 January 1982

Poland

I had a telephone call this morning from Lord Erskine of Rerrick.

Lord Erskine is much interested in the Scotland/Poland connection (I believe his wife was originally Polish) and he is also involved in the meat trade. He said that he and others were considering sending supplies of meat by truck free of charge to Poland and asked whether this would embarrass HMG in any way. I said that I thought the answer would depend on the arrangements he would make to ensure that the meat reached the Polish people and did not end up in the hands of the regime or the Polish Army. Lord Erskine said that the intention was to use the Red Cross. I commented that in that case I did not believe that what he was proposing could embarrass the Government but it would be helpful if we could be in touch again when he had worked out the details of his proposals. He has promised to write in due course. I shall keep you informed.

JC

Francis Richards, Esq.,
Foreign and Commonwealth Office.

1/6

CONFIDENTIAL

GRS 1100

CONFIDENTIAL

FM WARSAW 061825Z JAN 82

TO PRIORITY FCO

TEL NO 045 OF 6TH JANUARY 1982

INFO PRIORITY: PARIS, BONN, WASHINGTON, MOSCOW, UKDEL NATO,
MODUK, DOT.

(FCO PLEASE PASS COPIES TO TREASURY AND BANK OF ENGLAND.

POLAND : FINANCIAL SITUATION.

1. FIRST SECRETARY COMMERCIAL CALLED ON KARCZ, MINISTRY OF FINANCE, TODAY TO DISCUSS POLISH ATTITUDES TO EXTERNAL FINANCIAL QUESTIONS IN PRESENT CIRCUMSTANCES.

2. KARCZ SAID THAT HE BELIEVED THAT SOME OF POLAND'S BANKING CREDITORS WOULD BE MEETING IN LONDON ON 12 - 13 JANUARY. HE WAS INTENDING TO VISIT VIENNA AROUND 14/15 JANUARY WITH WOLOSZYN, BANK HANDLOWY, WHERE SOME TALKS WITH MEMBERS OF THE BANKS' TASK FORCE MIGHT TAKE PLACE. KARCZ HOPED THAT THE DIALOGUE WOULD CONTINUE, DESPITE THE DIFFICULT POLITICAL SITUATION THAT EXISTED WITH SOME COUNTRIES. IN THE MEANTIME THE BANKS ON THEIR OWN INITIATIVE, HAD EXTENDED THE DEADLINE FOR REACHING AN AGREEMENT ON 1981 RESCHEDULING UNTIL 10/12 JANUARY. KARCZ CLAIMED THAT THE BANK HANDLOWY HAD BEGUN PAYING SOME OF THE OUTSTANDING INTEREST TO WESTERN BANKS. POLAND HAD MANAGED TO FIND DOLLARS 150M OF THE OUTSTANDING AMOUNT AND WOULD PAY THIS OUT. HE DENIED THAT THE OTHER DOLLARS 350M HAD BEEN FOUND. HE SAID THAT POLAND STILL HOPED TO OBTAIN IT FROM WESTERN GOVERNMENTS AND BANKS WHO, DESPITE RUMOURS TO THE CONTRARY, HAD NOT YET REPLIED TO THE MOST RECENT POLISH REQUESTS FOR THIS MONEY.

3. AS REGARDS OFFICIALLY-GUARANTEED CREDIT, KARCZ SAID THAT WHEN HAD VISITED PARIS AFTER CHRISTMAS, CAMDESSUS HAD PROMISED TO INFORM HIM BETWEEN JANUARY 5 - 10 ABOUT WESTERN CREDITORS' WILLINGNESS FOR FURTHER DISCUSSIONS WITH THE POLISH SIDE. KARCZ HOPED THESE WOULD TAKE PLACE. COHEN ASKED WHETHER POLAND HAD BEGUN PAYMENTS OF INTEREST DUE UNDER THE 1981 RESCHEDULING AGREEMENTS. KARCZ REPLIED THAT POLAND WISHED TO HONOUR HER OBLIGATIONS UNDER LAST YEAR'S PARIS AGREEMENT. HOWEVER, HER ABILITY TO DO SO WOULD DEPEND ON THE ATTITUDE TAKEN BY HER CREDIORS TO POLISH REQUESTS FOR ECONOMIC HELP IN 1982. THIS CONCERNED NOT ONLY RESCHECULING BUT ALSO NEW CREDITS - IN OTHER WORDS, THE "ENTIRE PACKAGE". KARCZ DISMISSED AS WHOLLY IMPRACTICABLE EARLIER WESTERN SUGGESTIONS THAT POLAND SHOULD REDUCE HER NEED FOR NEW MONEY SINCE, HE CLAIMED, THIS WOULD MEAN A REDUCTION BY HALF IN IMPORTS. KARCZ EXPRESSED THE HOPE THAT WESTERN CREDITORS WOULD RECOGNISE THAT IT WAS IN THEIR OWN INTERESTS TO CONTINUE TO HELP POLAND. IF THIS WAS DIFFICULT POLITICALLY FOR SOME COUNTRIES IN THE PRESENT CIRCUMSTANCES, HE WAS CONFIDENT THAT SOME "INFORMML" AGREEMENTS COULD BE

CONFIDENTIAL

/ REACHED

CONFIDENTIAL

REACHED WITH THEM AT THE SAME TIME AS NEW BILATERAL AGREEMENTS WERE REACHED WITH OTHERS. KARCZ OBSERVED THAT EVEN A MORATORIUM WOULD REQUIRE A CONSIDERABLE DEGREE OF COOPERATION.

4. KARCZ THEN LAUNCHED INTO A DEFENCE OF MARTIAL LAW IN BY NOW FAMILIAR TERMS. HE CLAIMED TO HAVE BEEN SHOCKED BY READING "HYSTERICAL" REPORTS OF POLISH EVENTS IN THE WESTERN PRESS DURING HIS RECENT VISITS ABROAD. WHEN COHEN POINTED OUT THAT THE ANSWER WAS FOR THE AUTHORITIES TO LIFT RESTRICTIONS ON WESTERN DIPLOMATS AND CORRESPONDENTS, SO THAT THEY COULD SEE THE TRUE PICTURE FOR THEMSELVES, KARCZ SAID THAT HE WAS CONFIDENT THAT SOME OF THE RESTRICTIONS, WHICH WERE AN INEVITABLE BY-PRODUCT OF MARTIAL LAW, WOULD BE LIFTED SHORTLY. HE CLAIMED NOT TO UNDERSTAND HOW SOME WESTERN GOVERNMENTS FELT ABLE TO ENCOURAGE SO-CALLED HUMANITARIAN AID TO POLAND, WHILE AT THE SAME TIME DENYING OTHER FORMS OF ECONOMIC HELP WHICH WAS NEEDED TO KEEP PEOPLE IN WORK PRODUCING MUCH-WANTED CONSUMER GOODS, INCLUDING FOOD AND MEDICAL PRODUCTS. KARCZ ALSO COMPLAINED THAT, IF THE WEST CUT OFF ECONOMIC AND TECHNOLOGICAL TIES WITH POLAND IT WOULD DRIVE HER TO SEEK ALTERNATIVE LINKS. IT WOULD BE MANY YEARS BEFORE THIS PROCESS COULD BE REVERSED.

5. KARCZ ALSO HAD A GOOD DEAL TO SAY ABOUT THE POLISH ECONOMY. WE WILL REPORT SOME OF THIS BY BAG, BUT THE MAIN THRUST OF HIS REMARKS WAS THAT THE ECONOMY WAS ALREADY PERFORMING MUCH BETTER FOLLOWING THE IMPLEMENTATION OF MARTIAL LAW AND THE OTHER ECONOMIC MEASURES TAKEN. FOR EXAMPLE, COAL OUTPUT WAS UP AND POLAND HOPED TO BE ABLE TO EXPORT 3M TONNES OF COAL TO THE WEST IN THE FIRST QUARTER OF 1982 - A MUCH HIGHER AMOUNT THAN FOR MANY MONTHS, HE SAID. ALTHOUGH MARTIAL LAW HAD SOME UNDESIRABLE SIDE EFFECTS WHICH HE HOPED WOULD NOT LAST LONG IT HAD ENABLED THE GOVERNMENT TO IMPLEMENT MEASURES WHICH WOULD NOT HAVE BEEN POSSIBLE IN PREVIOUS CONDITIONS. INDEED, THE WEST HAD BEEN URGING POLAND TO TAKE THESE MEASURES, AND MARTIAL LAW WAS THE LEAST UNPALATABLE METHOD OF ENSURING THEIR SUCCESS. IN REPLY TO A SEPARATE QUESTION, KARCZ SAID THAT POLAND WAS RECEIVING A CONSIDERABLE AMOUNT OF ECONOMIC HELP FROM EASTERN EUROPE, AND ESPECIALLY THE SOVIET UNION. DEPUTY PRIME MINISTER MAJEJ AND FINANCE MINISTER KRZAK WERE CURRENTLY IN MOSCOW DISCUSSING SOVIET DELIVERIES TO POLAND IN 1982, ALTHOUGH IT WAS TOO EARLY TO EXPECT AN AGREEMENT ON BILATERAL SUPPLIES FOR THE ENTIRE YEAR.

CONFIDENTIAL

COMMENT (UNDERLINED)

6. KARCZ'S MAIN MESSAGE SEEMED TO BE THAT THE WEST SHOULD SHOW MORE PATIENCE AND UNDERSTANDING OVER EVENTS IN POLAND THAN HAD BEEN THE CASE SO FAR. HE REPEATED SEVERAL TIMES THE REQUEST THAT NO FINAL DECISIONS SHOULD BE TAKEN WHICH WOULD CLOSE THE DOOR TO FURTHER ECONOMIC ASSISTANCE FOR POLAND. BUT HE SAID NOTHING TO INDICATE THAT THERE WOULD BE ANY RETURN TO THE PROCESS OF RENEWAL IN THE ECONOMIC SPHERE, BAR ONE REFERENCE TO THE NEED TO AVOID THE MISTAKES OF THE PAST. HIS JUSTIFICATION FOR CONTINUED WESTERN AID IGNORED COMPLETELY THE POSSIBILITY THAT BY PROVIDING SUCH AID WESTERN GOVERNMENTS MIGHT THINK THAT THEY WERE SUPPORTING A REPRESSIVE REGIME; AND HIS ATTEMPTS TO SUGGEST THAT THE WEST SHOULD APPLAUD MARTIAL LAW BECAUSE IT HAD ENABLED HARSH ECONOMIC MEASURES TO BE TAKEN WERE CLUMSY.

7. DESPITE HIS APOLOGIA FOR RECENT EVENTS, KARCZ APPEARED PESSIMISTIC THAT SUCH ARGUMENTS WOULD SWAY GOVERNMENTAL AND PUBLIC OPINION IN THE WEST TO THE EXTENT THAT THE PROSPECTS FOR FURTHER ECONOMIC ASSISTANCE WOULD REMAIN OPEN.

MELHUI SH

POLAND SPECIAL
STANDARD

EESD
CSCE UNIT
NAD
SED
WED
ECD (E)
ESID
FED
CAD
SAD

TRED
ERD
SEC D
OLA
CONS D
CONS EM UNIT
CABINET OFFICE

ADDITIONAL DISTR.
POLAND SPECIAL

[COPIES SENT TO NO 10 DOWNING ST]

[NOT ADVANCED]

3
CONFIDENTIAL

GRS 1100

CONFIDENTIAL

CONFIDENTIAL

DESKBY 070900Z

FM WASHINGTON 070056 JAN 82

TO IMMEDIATE FCO

TELNO 37 OF 6 JAN 82

INFO IMMEDIATE BONN UKDEL NATO PARIS

PRIORITY WARSAW MOSCOW

INFO SAVING OTHER NATO POSTS, UKREP BRUSSELS DUBLIN.

MY TELNOS 25 AND 26 : SCHMIDT/REAGAN MEETING : POLAND.

1. SCHMIDT SPENT THE BETTER PART OF TWO DAYS HERE. HE HAD DINNER WITH HAIG AND OTHERS AT THE GERMAN EMBASSY ON MONDAY, SAW THE PRESIDENT AND, LATER, WEINBERGER, YESTERDAY AND HAD A FURTHER MEETING WITH HAIG THIS MORNING. HE ALSO MET CONGRESSIONAL LEADERS AND A NUMBER OF LONG STANDING U S FRIENDS (MCCLOY, KIRKLAND, NITZE). THE STATE DEPARTMENT AND NSC HAVE GIVEN US THE FOLLOWING ACCOUNT OF THE CONVERSATION WITH THE PRESIDENT:

(A) SCHMIDT SAID THAT HE WAS ANNOYED AT THE WAY THE U S PRESS HAD DISTORTED HIS VIEWS ON POLAND. IN FACT HIS VIEWS INTER ALIA ON SOVIET RESPONSIBILITY HAD NEVER DIFFERED SIGNIFICANTLY FROM THOSE OF REAGAN.

(B) REAGAN HAD NOT PRESSED SCHMIDT TO TAKE THE SPECIFIC STEPS THE U S HAD ALREADY TAKEN AND HAD NOT BELABOURED HIM ABOUT THE PIPE-LINE. SCHMIDT VOLUNTEERED THAT THE FEDERAL REPUBLIC WOULD NOT TAKE ANY STEPS WHICH WOULD UNDERMINE THE U S MEASURES, THOUGH HE COMMENTED THAT THERE COULD BE CONSIDERABLE PRACTICAL DIFFICULTIES OVER THE IMPLEMENTATION OF THIS UNDERTAKING. HE EXPRESSED THE VIEW THAT THE MEASURES THE U S HAD TAKEN WERE ESSENTIALLY POLITICAL AND SYMBOLIC. HE WAS UNHAPPY ABOUT THE ABSENCE OF CONSULTATION ABOUT THOSE STEPS.

(C) SCHMIDT SPENT MUCH OF HIS TIME COMPLAINING ABOUT THE ECONOMIC SITUATION AND THE IMPENDING WORLD ECONOMIC CRISIS AS THE MAIN THREAT TO WESTERN SECURITY.

(D) SCHMIDT HAD BEEN VERY PLEASED THAT REAGAN HAD TOLD HIM THAT ARMS CONTROL NEGOTIATIONS HAD A SPECIAL PART IN EAST/WEST RELATIONS AND WERE NOT, AT THE PRESENT TIME, GOING TO BE PART OF THE U S REACTIONS TO THE POLISH CRISIS.

(E) SCHMIDT THROUGHOUT SOUGHT TO PRESENT THE GERMAN ATTITUDE AS THAT OF THE EUROPEANS GENERALLY.

2. U S OFFICIALS SAY THAT THE ATMOSPHERE IN THE MEETINGS WITH THE PRESIDENT AND THE TALKS WITH HAIG WAS GOOD. IT WAS NOT IN THE PRESIDENT'S STYLE TO BE CONFRONTATIONAL OR EXIGENT IN PERSONAL MEETINGS WITH ALLIED LEADERS. AS ALWAYS, SCHMIDT DID MOST OF THE TALKING, BUT HE HAD BEEN SOMEWHAT MORE MUTED AND LESS DOGMATIC THAN USUAL. THEY REGARDED SCHMIDT'S EXPLICIT ACKNOWLEDGMENT OF SOVIET RESPONSIBILITY AND THE UNDERTAKING NOT TO UNDERMINE THE U S MEASURES AS THE TWO IMPORTANT ELEMENTS IN THE COMMUNIQUE. ON THE FORMER POINT, THEY DID NOT TAKE SERIOUSLY SCHMIDT'S CONTENTION THAT HIS VIEWS IN THIS RESPECT HAD NOT CHANGED (WITH REFERENCE TO HIS 18 DECEMBER STATEMENT IN THE BUNDESSTAG, IN WHICH THERE HAD IN FACT BEEN NO REFERENCES TO SOVIET RESPONSIBILITY).

CONFIDENTIAL

13.

3. SCHMIDT CLEARLY HAD NOT REALISED HOW NEGATIVE AN IMPRESSION OF THE GERMAN ATTITUDE MOST AMERICANS HAD GOT AND THIS CERTAINLY HAD NOW BEEN BORNE IN ON HIM. DURING HIS HOLIDAY IN FLORIDA HE HAD SPEND A WEEK READING ALL THE U S PAPERS AND PROFESSED TO HAVE BEEN APPALLED BY THE PICTURE THEY AND THE TELEVISION HERE HAD PRESENTED OF GERMAN VIEWS. THE PRESIDENT EMPHASIZED THAT U S/GERMAN RELATIONS DID NOT DEPEND ONLY ON THE RELATIONSHIP BETWEEN THE TWO EXECUTIVE BRANCHES AND EXPRESSED HIS CONCERN ABOUT THE IMPACT ON CONGRESSIONAL AND PUBLIC ATTITUDES.

4. SCHMIDT INDICATED THAT THE GERMANS WERE READY TO STUDY THE DESIRABILITY OF TIGHTENING THE RULES ON HIGH TECHNOLOGY TRANSFERS IN THE HIGH LEVEL COCOM MEETING. THE STATE DEPARTMENT NOTED THAT HE HAD SAID THE SAME IN OTTAWA, BUT GERMAN OFFICIALDOM HAD SINCE BEEN UNHELPFUL AND THE GERMAN ATTITUDE REMAINED AMBIGUOUS. SCHMIDT WAS GIVEN IN CONFIDENCE SOME FURTHER INTELLIGENCE ON THE ADAPTATION BY THE RUSSIANS FOR MILITARY PURPOSES OF TECHNOLOGY TRANSFERRED FROM THE WEST.

5. HAIG RAISED WITH BOTH SCHMIDT AND GENSCHER THE QUESTION OF NATO INFRASTRUCTURE, POINTING OUT THAT THE GERMAN REFUSAL TO MAKE THE NECESSARY FUNDS AVAILABLE WAS HAVING A POLITICAL EFFECT OUT OF ALL PROPORTION TO THE REAL EXPENDITURE. GENSCHER UNDERTOOK TO LOOK INTO THIS, WITHOUT COMMITMENT,

6. THE SIBERIAN GAS PIPE-LINE WAS NOT RAISED IN ANY OF THE DISCUSSIONS. HAIG SAID AT A PRESS CONFERENCE THIS MORNING THAT THE U S VIEW REMAINED THAT THE PROJECT WAS A BAD IDEA. THE AMERICANS WILL NOT PERMIT U S EQUIPMENT OR COMPONENTS TO BE USED IN ITS CONSTRUCTION, BUT SEEM TO RECOGNISE THAT IT WILL NOT BE POSSIBLE TO DISSUADE THE GERMANS OR OTHERS FROM GOING AHEAD.

7. THE STATE DEPARTMENT COMMENTED THAT IT WAS EXTREMELY FORTUNATE THAT A MEETING AT THIS LEVEL HAD TAKEN PLACE AT THIS TIME (IT WAS OF COURSE ORIGINALLY SCHEDULED BY SCHMIDT TO DISCUSS THE WORLD ECONOMIC SITUATION). THERE HAD BEEN ENOUGH MOVEMENT IN THE GERMAN POSITION TO ENABLE THEM TO DAMP DOWN INCREASING PUBLIC PERCEPTIONS HERE OF MAJOR DIFFERENCES WITHIN THE ALLIANCE. THEY REGARD THE OUT-COME OF THE EC MEETING ON MONDAY AND THE SCHMIDT/REAGAN STATEMENT AS REPRESENTING A SIGNIFICANT EVOLUTION IN THE GERMAN ATTITUDE AND AS MEANING THAT THE PRINCIPAL ALLIES ARE NOW MORE UNITED IN THEIR ANALYSIS OF THE SITUATION, INCLUDING SOVIET RESPONSIBILITY, AND THE DEFINITION OF OBJECTIVES.

8. THERE WERE, HOWEVER, SOME VIGOROUS EXCHANGES WITH THE OFFICIALS ACCOMPANYING SCHMIDT, INTER ALIA WITH VON DER GABLENTZ, WHEN HE SOUGHT TO SUGGEST THAT U S CONCERN ABOUT POLAND WAS PRIMARILY A REFLECTION OF THE VIEWS OF THE POLISH/AMERICAN COMMUNITY HERE (WHICH HAS SO FAR BEEN ADOPTING A MODERATE ATTITUDE URGING THE CONTINUATION OF FOOD AID ETC).

CONFIDENTIAL

9. ON THE NEXT STEPS, HAIG HAD MADE IT CLEAR THAT THE AMERICANS WERE LOOKING WITHIN THE ALLIANCE FOR SOMETHING MORE THAN NOT MERELY UNDERMINING THE U S MEASURES; BUT NOT THE SAME MEASURES AS THE UNITED STATES HAD TAKEN. IT WAS FOR THE EUROPEANS TO CONSIDER WHAT STEPS THEY THOUGHT MOST APPROPRIATE (AND LEAST PAINFUL) TO MAKE CLEAR THAT THEY REGARDED THE PRESSURES THE SOVIET UNION WAS EXERTING ON POLAND AS UNACCEPTABLE AND THAT SOVIET RELATIONS WITH WESTERN EUROPE WOULD BE AFFECTED IF THESE WERE MAINTAINED.

MS
FCO PASS SAVING ANAKARA ATHENS BRUSSELS COPENHAGEN LISBON LUXEMBOURG
DUBLIN OTTAWA OSLO ROME REYKJAVIK THE HAGUE UKREP BRUSSELS.

THOMAS

[REPEATED AS REQUESTED]

FCO/WHITEHALL
NAD

ADDITIONAL DISTRIBUTION
POLAND SPECIAL

-3-

CONFIDENTIAL

919102 CONSUL G

919102 CONSUL G
919307 PRDRME G

DWF G 166/6

LDC NR 584/06

00 FCO DESKBY 061600Z

GR 100
UNCLED
DESKBY 061600Z
FM WARSAW 061410Z JAN 82
TO IMMEDIATE FCO
TELEGRAM NUMBER DISTRESS 002 OF 6 JANUARY

OUR TELNO 37 AND YOUR DISTRESS NO 1 : MISKIW

1. COURT IS NOW RECESSED UNTIL 0900 TUESDAY 12 JANUARY.
MISKIW'S ADVOCATE HAS REQUESTED THE FOLLOWING ADDITIONAL
DOCUMENTS:

(A) IF ALLEN DENIES THE EXCHANGE OF TELEPHONE CALLS, WILL NOT
COOPERATE OR IS UNAVAILABLE, COULD MCSHANE OF SUNDAY MIRROR, WHO
TOOK THE INITIAL CALL AND PASSED MESSAGE TO MISKIW MAKE A
STATEMENT INSTEAD.

(B) SUNDAY MIRROR SHOULD SEND A STATEMENT ^{ON} THEIR HEADED PAPER
THAT MISKIW IS THEIR EMPLOYEE AND THAT HE CAME TO POLAND UNDER
INSTRUCTIONS FROM HIS SUPERIORS.

2. EMBASSY WAS REPRESENTED THROUGHOUT HEARING.

MELHUISH

SENT AT 06/1523Z F C
919102 CONSUL G
919307 PRDRME G

RN TO BRITAIN UNTIL

ATTENANCE. NO DATE
LAWYER IS UNABLE

GRS 470

CONFIDENTIAL

CONFIDENTIAL

FM PARIS 061515Z JAN 82

TO PRIORITY FCO

TELEGRAM NUMBER 12 OF 6 JANUARY 1982

INFO PRIORITY MOSCOW WARSAW WASHINGTON BONN UKDEL NATO

INFO SAVING BRUSSELS COPENHAGEN DUBLIN THE HAGUE LUXEMBOURG ROME

UKREP BRUSSELS ATHENS

FRENCH POLICY TOWARDS POLAND

1. PARA 6 OF FCO TELNO 5 TO WASHINGTON RECORDED THAT IT WAS "WIDELY BELIEVED" AT THE INFORMAL MEETING OF COMMUNITY FOREIGN MINISTERS ON 4 JANUARY THAT M. CHEYSSON HAS BEEN INVITED TO VISIT POLAND.
2. WE HAVE NO EVIDENCE THAT A PERSONAL INVITATION HAS BEEN ADDRESSED TO M. CHEYSSON. IT HAS HOWEVER BEEN REPORTED IN THE FRENCH PRESS THAT THE FRENCH GOVERNMENT WAS INVITED TO SEND "A HIGH-LEVEL EMISSARY" TO WARSAW, BUT THAT THIS INVITATION HAD BEEN REJECTED BECAUSE THE POLISH AUTHORITIES COULD NOT GUARANTEE THAT A FRENCH VISITOR COULD PURSUE HIS ENQUIRIES FREELY.
3. THE QUAI D'ORSAY HAVE CONFIRMED THAT THESE REPORTS ARE ACCURATE. THEY TOLD US THAT FRANCE HAD ALREADY INFORMED ITS PARTNERS AT MEETINGS OF THE TEN THAT SUCH AN INVITATION HAD BEEN ISSUED MORE THAN ONCE DURING DECEMBER. THE FRENCH REPLY HAD BEEN THAT THE INVITATION COULD NOT BE ACCEPTED UNTIL IT COULD BE GUARANTEED THAT THE FRENCH EMISSARY WOULD MEET REPRESENTATIVES OF ALL SOCIAL FORCES IN POLAND INCLUDING WALESA. THIS REMAINED THE FRENCH POSITION.
4. BY MAKING IT KNOWN THAT HE HAD TAKEN THIS FIRM LINE WITH THE POLES, AND BY STATING (ACCORDING TO THE PRESS) THAT THE FRENCH GOVERNMENT WOULD NOT HAVE ACCEPTED A VISIT BY VICE-PREMIER RAKOWSKI SIMILAR TO THE VISIT HE PAID TO BONN, M. CHEYSSON APPEARS TO HAVE LIMITED HIS FREEDOM OF MANOEUVRE IN THE NEAR FUTURE. HIS BEHAVIOUR AT THE MINISTERIAL MEETING ON 4 JANUARY WAS PROBABLY NO MORE THAN THE USUAL FRENCH EFFORT TO ENSURE THAT IF THERE ARE GOING TO BE COLOURFUL INITIATIVES THE OPTION IS LEFT OPEN FOR THEM TO BE FRENCH.

CONFIDENTIAL

/s.

CONFIDENTIAL

5. IT HAS BEEN SUGGESTED TO A MEMBER OF THE EMBASSY BY A WELL-PLACED SOURCE THAT MR FITERMAN, THE COMMUNIST MINISTER OF STATE AND MINISTER OF TRANSPORT, MAY HAVE BEEN TO POLAND OVER THE HOLIDAY PERIOD. MR FITERMAN IS OF POLISH STOCK AND IS SAID TO HAVE RELATIONS IN POLAND. IT IS SCARCELY POSSIBLE THAT HE COULD HAVE UNDERTAKEN ANY SUCH VISIT WITHOUT PRESIDENT MITTERRAND ACQUIESCING IN IT. IT SEEMS INHERENTLY UNLIKELY THAT PRESIDENT MITTERRAND, AFTER HAVING MASTER-MINDED A SUCCESSFUL OPERATION TO EMBARRASS THE FRENCH COMMUNIST PARTY OVER POLAND, LET A COMMUNIST MINISTER HAVE A GO AT THE POLISH RUBIK-CUBE. ON THE OTHER HAND IT WOULD PROBABLY SUIT HIM IF IT COULD BE CONSTRUED THAT A TURN FOR THE BETTER IN POLAND COULD BE MADE TO LOOK LIKE A RESULT OF A FRENCH GOVERNMENT INITIATIVE. THERE ARE UNSUBSTANTIATED RUMOURS AMONG FRENCH JOURNALISTS THAT OFFICIALS OF THE COMMUNIST DOMINATED CGT HAVE BEEN TO POLAND. THE NAME OF M. KRASUCKI, THE HEIR APPARENT IN THE CGT AND LIKE FITERMAN OF POLISH ORIGINS, IS MENTIONED IN THIS CONNECTION. PERHAPS THE REAL SIGNIFICANCE OF THESE RUMOURS IS THAT THEY SHOW WHAT FRENCH MEN EXPECT THEIR RULERS TO BE UP TO, EVEN IF IN FACT THE LATTER ARE NOT YET UP TO IT.

FCO PLEASE PASS TO ALL SAVING ADDRESSEES.

HIBBERT

(REPEATED AS REQUESTED)

THIS TELEGRAM
WAS NOT
ADVANCED

POLAND SPECIAL
STANDARD

EEED
CSCE UNIT
NAD
SED
WED
ECD (E)
ESID
FED
CAD
SAD

TEED
ERD
SEC D
OLA
CONS D
CONS EM UNIT
CABINET OFFICE

ADDITIONAL DISTN.
POLAND SPECIAL

[COPIES SENT TO NO 10 DOWNING ST]

2

CONFIDENTIAL

GRS 300
UNCLASSIFIED
DESKBY 061430Z
FM WARSAW 061140Z JAN 82
TO IMMEDIATE FCO
TELNO 037 OF 6TH JANUARY 1982

OUR TELNO 23 : MISKIW.

1. MISKIW IS BEING TRIED UNDER MARTIAL LAW REGULATIONS. HE PLEADED GUILTY AND THREW HIMSELF ON THE MERCY OF THE COURT. WHEN HIS TRIAL ENDS LATER TODAY (6.1) HIS ADVOCATE WILL REQUEST A SEVEN DAY POSTPONEMENT OF SENTENCE. THIS IS SO THAT DOCUMENTARY EVIDENCE TO SUPPORT THE PLEA FOR CLEMENCY MAY BE OBTAINED FROM LONDON.

2. MISKIW HAS ASKED THAT THE SUNDAY MIRROR CONTACT ONE VIC ALLEN OF MAGIC OF POLAND TRAVEL AGENCY, 100 DEAN ST, LONDON (TEL 01 - 734 - 51001) AND OBTAIN FROM HIM WRITTEN ANSWERS TO THE FOLLOWING QUESTIONS:

(A) WAS HE, VIC ALLEN, INFORMED BY A POLISH CONSULATE OFFICIAL THAT A VISA HAD BEEN GRANTED FOR IHOR MISKIW, (KNOWN TO HIM AS GREG MISKIW) OF THE SUNDAY MIRROR?

(B) WHAT WAS THE NAME OF THAT OFFICIAL?

(C) DID HE, VIC ALLEN, TELEPHONE THE SUNDAY MIRROR TO TELL THEM THAT A VISA HAD BEEN GRANTED FOR IHOR MISKIW?

(D) DID HE, VIC ALLEN, RECEIVE A TELEPHONE CALL FROM IHOR MISKIW SOME TIME LATER TO CONFIRM THAT THIS VISA HAD BEEN GRANTED?

(E) WHEN AND FOR WHAT PURPOSE DID THOR MISKIW MAKE THIS VISA APPLICATION?

THE SUNDAY MIRROR SHOULD HAVE ALLEN'S SIGNATURE ON THE QUESTIONS AND ANSWERS WITNESSED AT THE POLISH CONSULATE AND GET THEM TO THE FCO BAG ROOM IN TIME TO CATCH THE COURIER RUN WARSAW/LONDON/ WARSAW ON SUNDAY 10 JANUARY.

3. BOTH MISKIW AND HIS ADVOCATE STRESS THAT ANSWERS TO THESE QUESTIONS MUST BE PRECISE, AND THAT NO OTHER INFORMATION SHOULD BE INCLUDED IN THE STATEMENT.

MELHUIH
LIMITED
EESD
NEWS D
CONS D
PS
PS/LPS
PS/PUS
MR BULLARD
MR FERGUSSON
MR ADAMS

GPS 250

UNCLASSIFIED

FROM BONN 061520Z JAN 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 09 OF 06 JANUARY

INFO PRIORITY WASHINGTON PARIS MOSCOW

INFO ROUTINE UKDEL NATO MODUK (DS 12)

INFO SAVING DUBLIN ROME LUXEMBOURG COPENHAGEN THE HAGUE UKREP

BRUSSELS EMBASSY BRUSSELS ATHENS

WASHINGTON TELNO 25 TO FCO:

POLAND: FRG POLICY

ms

1. ON HIS RETURN FROM WASHINGTON TODAY, GENSCHER FLEW ON DIRECT TO STUTTGART AND DELIVERED A SPEECH AT THE FDP'S ANNUAL QUOTE THREE KINGS MEETING UNQUOTE, WHICH HE HAS USED IN THE PAST AS A FORUM FOR MAJOR POLICY STATEMENTS. MAIN POINTS OF HIS SPEECH RELATING TO POLAND, AS REPORTED BY THE FEDERAL PRESS AGENCY, ARE IN FARA 2 BELOW. REMAINDER OF SPEECH WILL BE REPORTED BY DAG WHEN FULL TEXT AVAILABLE.

2. GENSCHER'S MAIN POINTS WERE:

(A) IN SPITE OF ITS POLICY OF NON-INTERFERENCE, THE FEDERAL REPUBLIC WAS ENTIRELY ON THE SIDE OF THE POLISH PEOPLE AND THEIR EFFORTS TO ACHIEVE MORE FREEDOM AND SELF-DETERMINATION THROUGH REFORM AND RENEWAL. THE FRG WOULD BE READY TO GIVE POLAND FINANCIAL HELP QUOTE ON A LARGE SCALE UNQUOTE, TOGETHER WITH ITS WESTERN PARTNERS, IF POLAND RETURNED TO THE WAY OF REFORM.

(B) THE FRG WOULD NOT BE PREPARED IN ANY CIRCUMSTANCES TO BREAK OFF FOOD AID TO POLAND.

(C) THERE WERE NO GROUNDS FOR SPECULATING ABOUT RIFTS IN WESTERN ATTITUDES TO POLAND. THE WEST HAD ACHIEVED FAR-REACHING AGREEMENT ON ITS POSITION, AND THE LATEST FRG-US TALKS HAD ACHIEVED THE GREATEST IMAGINABLE DEGREE OF RAPPROCHEMENT (GENSCHER MADE THIS LAST POINT ALSO TO THE PRESS ON HIS ARRIVAL AT STUTTGART AIRPORT).

(D) THE WARSAW REGIME SHOULD REVOKE MARTIAL LAW, RELEASE DETAINEES AND PURSUE ITS DIALOGUE WITH SOLIDARITY AND THE CHURCH.

(E) MOSCOW SHOULD ALLOW THE POLISH PEOPLE TO DETERMINE THEIR OWN DESTINY: THIS WAS AN OPPORTUNITY FOR THE USSR TO PROVE ITS FIDELITY TO THE PRINCIPLES OF HELSINKI.

(F) IN SPITE OF EVENTS IN POLAND, THE EUROPEAN AND US ALLIES HELD FAST TO THEIR EFFORTS FOR DISARMAMENT. THE JOINT US/FRG STATEMENT IN WASHINGTON SHOULD HAVE ENLIGHTENED THOSE WHO HAD BEEN ARGUING FOR THE BREAKING OFF OF DISARMAMENT TALKS. QUOTE WE CANNOT ALLOW THE POLISH TRAGEDY TO BECOME THE HOUR OF THE COLD WARRIORS UNQUOTE.

FCO PLEASE PASS TO SAVING ADDRESSEES

TAYLOR

POLAND SPECIAL
STANDARD

ADDITIONAL DISTR.
POLAND SPECIAL

EEED
CSCE UNIT
NAD
SED
WED
ECD (E)
ESID
FED
CAD
SAD

TRED
ERD
SEC D
OLA
CONS D
CONS EM UNIT
CABINET OFFICE

[COPIES SENT TO NO 10 DOWNING ST]

THIS TELEGRAM
WAS NOT
ADVANCED

[PASSED AS REQUESTED]

825701 FCOHSP G
919347 CONSUL G

DIS 02/6

OO WARSAW

GPS 44

UNCLASSIFIED
FROM CONSULAR DEPT LONDON 061210Z JAN
TO IMMEDIATE WARSAW
TEL NO DISTRESS 1 OF 6/1/82

YOURTEL 23 : MISKIW.

PLEASE REASSURE MISKIW THAT PAPER AND FAMILY BEING KEPT FULLY
INFORMED. MIRROR GROUP WILL PROVIDE FUNDS FOR DEFENCE. PLEASE
REPORT TRIAL PROGRESS IN DISTRESS SERIES.

NNNN
SENT JIM/1233Z
825701 FCOHSP G
919347 CONSUL G

CONFIDENTIAL

DESKBY 070900Z

FM WASHINGTON 070130Z JAN 82

TO IMMEDIATE F C O

TELEGRAM NUMBER 41 OF 6 JANUARY 1982

INFO PRIORITY PARIS, BONN, UKDEL NATO, DOT, MODUK,
INFO SAVING OTHER EC POSTS.OUR TELEGRAMS NOS 22 AND 23: U.S. MEASURES AGAINST THE SOVIET UNION.

1. THERE IS STILL SOME UNCERTAINTY IN THE MINDS OF ADMINISTRATION OFFICIALS ABOUT THE EXACT APPLICATION OF THE NEW EXPORT CONTROLS. THE POSITION MAY BECOME CLEARER AT THE END OF THIS WEEK AND AT NEXT WEEK'S NATO MEETING. IN THE MEANTIME, OUR OWN ASSESSMENT IS AS FOLLOWS.

2. FOR THE TIME BEING, WHERE EXPORTERS HAVE ALREADY OBTAINED VALIDATED U.S. LICENCES, CONTRACTS BETWEEN THE SOVIET UNION AND ON THE ONE HAND U.S. COMPANIES AND, ON THE OTHER, FOREIGN FIRMS WHOSE PRODUCTS CONTAIN LICENSABLE U.S. COMPONENTS WILL BE ALLOWED TO PROCEED. BUT WHERE THE GOODS CONCERNED HAVE NOT YET BEEN SHIPPED, (WHETHER FROM THE U.S. OR ANY THIRD COUNTRY), THE ADMINISTRATION CLEARLY RETAIN THE OPTION TO REVOKE VALIDATED LICENCES WHICH HAVE ALREADY BEEN ISSUED.

3. THE COROLLARY IS THAT WHERE A LICENCE HAS NOT YET BEEN ISSUED, NONE WILL BE FORTHCOMING, WHATEVER THE STATE OF THE CONTRACT AND WHATEVER THE LEGAL OR FINANCIAL COMPLICATIONS FOR THE FIRMS CONCERNED (BUT SEE PARAGRAPH 6 BELOW).

4. WE DO NOT THINK THAT THE NEW CONTROLS, INCLUDING THOSE ON OIL AND GAS EQUIPMENT, WILL AT PRESENT APPLY TO GOODS MANUFACTURED UNDER LICENCE OUTSIDE THE U.S. BUT AGAIN THE ADMINISTRATION RETAIN THE OPTION TO EXTEND CONTROLS TO THIS KIND OF PRODUCT (AND WILL BE THE MORE INCLINED TO DO SO IF THEY CONSIDER THERE IS CIRCUMVENTION OF THEIR CURRENT CONTROLS).

5. THE SUSPENSION OF LICENSING OF GOODS FOR THE SOVIET UNION APPLIES TO ANY LICENSABLE U.S. COMPONENTS, EVEN THOUGH THESE MAY ALREADY BE OUTSIDE THE U.S. AND PROVIDED NO U.S. LICENCE HAS ALREADY BEEN ISSUED FOR THEIR RE-EXPORT TO THE USSR.

6. OUR JUDGEMENT IS THAT THE ADMINISTRATION MIGHT CONCEIVABLY BE PREPARED TO MAKE A RARE EXCEPTION IN A CASE INVOLVING PARTICULAR HARDSHIP AND IN A RELATIVELY INNOCUOUS PROJECT. BUT THE SUPPORTING ARGUMENTS WOULD NEED TO BE VERY GOOD. I DOUBT IF THE ADMINISTRATION WOULD ENTERTAIN ANY HARDSHIP ARGUMENT IN MOST CASES, INCLUDING PARTICULARLY THE SIBERIAN GAS PIPELINE PROJECT.

CONFIDENTIAL

7. AS TO THE KIND OF ACTION BY THIRD COUNTRIES WHICH THE ADMINISTRATION WOULD REGARD AS UNDERMINING THEIR MEASURES, THEY ARE STILL THINKING THIS THROUGH. THE MOST OBJECTIONABLE CASE WOULD OBVIOUSLY BE THE STEPPING IN OF A FOREIGN FIRM TO TAKE UP A CONTRACT, EVEN IN A MODIFIED FORM, LOST BY A U.S. FIRM AS A DIRECT RESULT OF THE SANCTIONS. IN THE WAKE OF THE ECONOMIC SANCTIONS IMPOSED FOLLOWING THE SOVIET INVASION OF AFGHANISTAN, THE AMERICAN REACTION WAS BLUNT WHEN THE FRENCH AND GERMANS TOOK UP SOVIET CONTRACTS FOR ALUMINIUM AND STEEL PLANTS LOST BY U.S. FIRMS. THE STRAIGHTFORWARD REPLACEMENT OF U.S. COMPONENTS BY FOREIGN ONES IN BRITISH EQUIPMENT DESTINED FOR THE SIBERIAN GAS PIPELINE, WHILE NOT AS FLAGRANT, WOULD STILL CAUSE A REACTION HERE GIVEN U.S. DISLIKE OF THE PROJECT AS A WHOLE. WE COULD EXPECT THE PRESS TO EXACERBATE THE SITUATION IF THEY GOT WIND OF SUCH A THING. IN OTHER TYPES OF CONTRACT, THE REPLACEMENT OF U.S. COMPONENTS BY FOREIGN ONES MIGHT NOT BE SEEN AS DIRECTLY UNDERMINING THE U.S. MEASURES. BUT THEIR REACTION WOULD DEPEND ON THE TYPE AND SCALE OF BUSINESS CONCERNED AND THE DEGREE OF PUBLICITY INVOLVED.

8. WE EXPECT THAT THE ADMINISTRATION WILL, IN THE SHORT TERM, SEEK TO APPLY THE NEW EXPORT CONTROLS VERY RESTRICTIVELY INDEED. WE MIGHT SEE SOME EASING OF THESE IN THE LONGER TERM PROVIDED EVENTS IN POLAND DO NOT LEAD TO A FURTHER TIGHTENING.

9. IT SEEMS LIKELY THAT THE U.S. MEASURES AGAINST THE SOVIET UNION WILL LEAD TO A TIGHTENING OF CONTROLS MORE GENERALLY ON EXPORTS TO EASTERN EUROPE. WE SHALL, THEREFORE, PROBABLY BE FACED WITH MORE DELAYS IN OBTAINING AMERICAN APPROVALS IN COCOM FOR UK EXPORTS TO EASTERN EUROPE. BRITISH FIRMS MUST ALSO FACE DELAYS OVER THE PROCESSING THE APPROVAL OR DISAPPROVAL BY THE ADMINISTRATION OF LICENCE APPLICATIONS.

FCO PASS SAVING ATHENS, BRUSSELS, COPENHAGEN, DUBLIN, LUXEMBOURG, ROME, THE HAGUE, UKREP BRUSSELS.

THOMAS

FCO /WHITEHALL
ERD

ADDITIONAL DISTN.
POLAND SPECIAL

[REPEATED AS REQUESTED]

2

CONFIDENTIAL



PART 5 ends:-

Fco to WR + att of 5/1/82

PART 6 begins:-

washington tel #1 of 6/1/82

