PREM 19/1923

Angla Romanian relations

ROMANIA .

Northern Engineering Industries' bid to supply a Turbine Generator to Romania PTI:

NOVEMBER 1979

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PART ends:-

COP to M. VASILE GUGA 30.6.86

PART 2 begins:-

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TO BE RETAINED AS TOP ENCLOSURE

Cabinet / Cabinet Committee Documents

Reference	Date
CC(80) 12 th conclusions, item 2	20/03/1980
CC(83) 10 th meeting, item 2	17/03/1983
CC(80) 12 th conclusions, item 2 CC(83) 10 th meeting, item 2 CC(85) 6 th meeting, item 2	14/02/1985
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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__(

PREM Records Team

Date 17/10/2014



10 DOWNING STREET LONDON SWIA 2AA

From the Private Secretary

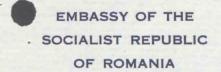
30 June 1986

I write to acknowledge receipt of your letter of 27 June and the enclosed book.

Charles Powell

His Excellency Monsieur Vasile Gliga.

19



27th June, 1986

Mr.N.L.Wicks, CBE, Principal Private Secretary to Prime Minister, lo Downing Street, London, SW1

ben br. Wicks,

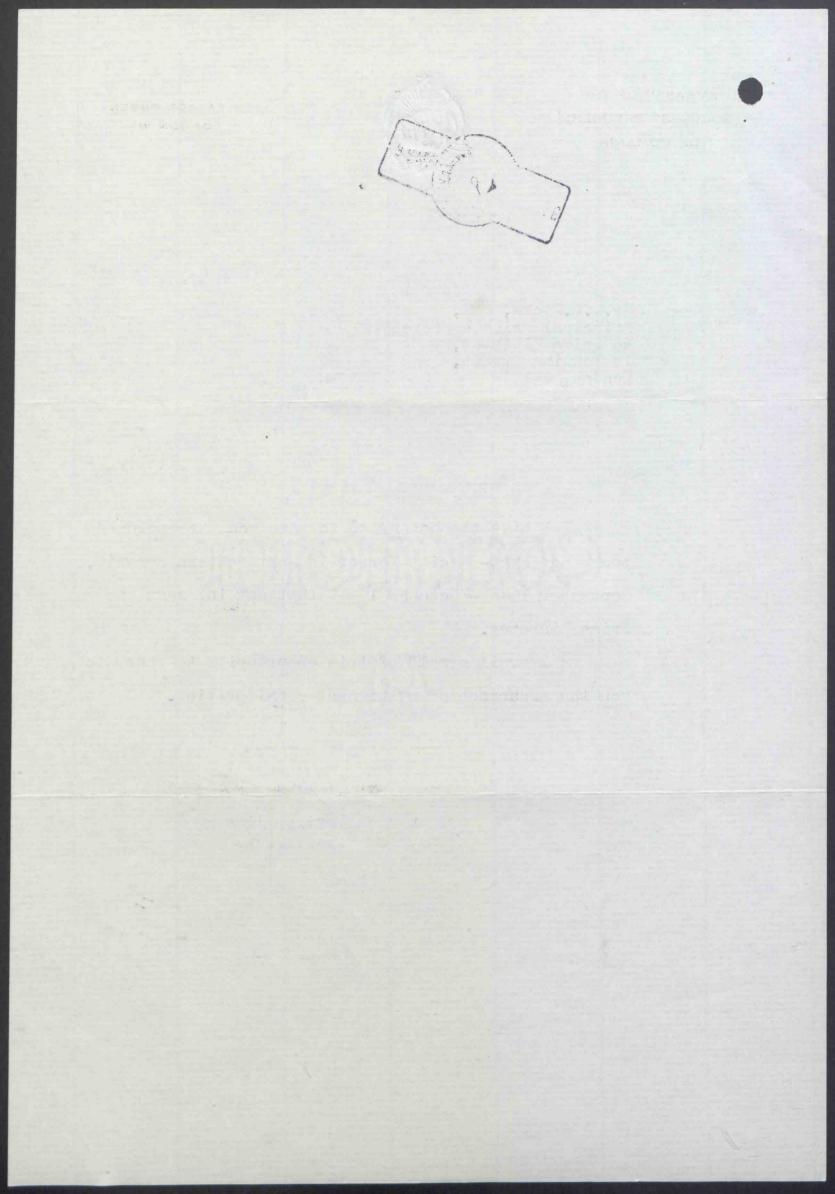
I have the honour to forward you the enclosed book "Horthyst-Fascist Terror in Northwestern Romania, September 1940 - October 1944" that may interest the Prime Minister.

I avail myself of this opportunity to renew to you the assurance of my highest consideration.

Vasile Gliga

your dearch

Ambassador





4 PALACE GREEN LONDON W8

12th August 1985

PRESS RELEASE

THE 41ST ANNIVERSARY OF THE ANTI-FASCIST
AND ANTI-IMPERIALIST REVOLUTION OF SOCIAL AND
NATIONAL LIBERATION IN ROMANIA

The Romanian people celebrate on August 23, 1985 forty-one years since the victory of the anti-fascist and anti-imperialist revolution of social and national liberation, an historic event that ushered in the epoch of deep-going political, economic and social revolutionary transformations and opened up the way to building the socialist society in Romania. The grand epos of August 1944 was the crowning of long and heroic social and national fights of the popular mass.

In the very difficult conditions of the militaryfascist dictatorship and Hitlerite war, when Romania was under
the domination of the Nazi Wehrmacht, the Romanian Communist
Party called all people to fight against the anti-Soviet war,
organized partisan detachments and actions to sabotage the
fascist war machine, started organizing patriotic fight
formations, unfolded wide activity for the rallying of the
worker, anti-fascist, patriotic and national forces, paid
attention to the strengthening of the link with the army,

2 including its supreme command, established relations with the Court in view of disjoining Romania from the anti-Soviet war and turning weapons on Hitler's Germany. The anti-Hitlerite war was sustained through the effort of the whole Romanian people under the motto "Everything for the front, everything for the victory!". Romania's important contribution to the antifascist war was greatly appreciated by the international public opinion, a fact tellingly emphasized also during the celebration this year of 40 years since the victory over fascism. Prestigious publications in numerous countries of the warld recalled the Romanian people's considerable contribution and big sacrifices in the fight fought within the anti-Hitlerite coalition. The victory of the revolution of social and national liberation marked the beginning of deep-going changes in the life of the entire Romanian society. Really historical successes were scored in the period inaugurated by the Ninth Congress of the Romanian Communist Party of 1965, when comrade Nicolae Ceauşescu was elected leader of the party and the state. This period has witnessed a powerful development of the economy, science, education and culture, Romania's raising onto highest summits of progress and civilization. Through her entire constructive work, through the political, economic and social orientations and options, related directly to President Nicolae Ceauşescu's innovating thought and energetic action, Romania has turned into a country with dynamic economy and multilateral social and political life in which the people assert themselves as real masters of their homeland, as real builders of their own history. Over 1945-1984, the volume of industrial production grew some 103 times, that of farm production about 7.2 times and the national income - 32 times. This ensured the liquidation of the lag behind inherited from the past, the economic and social development of all zones of the country, the progress of science, the arts and culture.

We have a modern industry equipped on a par with world technique. Romania turns out today high-tech, internationally competitive products, like tractors, cars and trucks of various types, Diesel and electric locomotives, sea-going and river-going ships, aircraft, oil-field equipment, complex mining and chemical equipment, machine-tools, machines for the textile industry, the timber industry, electronic and computation apparatus, a wide range of chemicals and household appliances as well as industrial and alimentary consumer goods.

Consequent to the steady policy of industrialization almost 5.6 millions new jobs, including 2.7 million in industry were created over 1950-1984, the people's living standard and quality of life were improved. The working personnel's average net remuneration was 8.7 times bigger then in 1950 and the peasantry's real incomes per gainfully employed person grew 4.8 times in 1984 as compared with 1950 and 1.9 times as compared with 1965.

Qualitative shifts were recorded in the population's consumption, education, culture and public health protection developed. The 1945-1984 period saw the construction of 5,574,800 dwellings, including 3,051,400 in 1965-1984. Over 10,200,000 citizens, almost half of the country's population, moved to new dwellings in the post-war period.

In the focus are the ever better meeting of the population's material and spiritual requirements, the continuous improvement of the quality of life, the actual observance of the fundamental human rights - the right to work, to leisure, instruction and education, economic and social security, unhampered participation in public life and societal government.

The national question inherited from the pas was solved in these years. The Romanian society ensures wide democratic rights and freedoms for all its citizens, irrespective of nationality, race, sex or religion. The economic development of all counties of this country, the

of social system, in the interests of the cause of peace, international understanding and cooperation.

Romania has today diplomatic and consular relations with 140 states and economic, production, scientific and technological cooperation relations with 155 countries.

The volume of foreign trade has increased more and more, topping in 1985 by 28 per cent that of 1980. In recent years, Romania had an active commercial balance and paid off almost 40 per cent of the foreign debt, further working for an active commercial balance so that to completely pay off the foreign debt in the next years, as decided upon by the 13th Congress of the Romanian Communist Party.

Romania places special stress on the development of the cooperation in production, science and technology with other states, on the promotion of the system of counter-trade in the economic exchanges, she promotes the conclusion of long-term agreements as a measure that ensures perspective and stability to the economic exchanges and to cooperation.

One of the major directions of the Romanian foreign policy is the struggle in defence of peace, of people's primordial right - the right to life. As stressed by President Nicolae Ceauşescu the fundamental problems of the contemporary epoch are the halting of the arms race, nuclear above all, the passage to disarmament and the securing of lasting peace in the world. In this spirit, Romania declares and campaigns for the halting of the emplacement and manufacturing of new nuclear arms, for the gradual reduction of the existing stockpiles up to their complete liquidation, the banning of all tests with nuclear arms, the halting of the emplacement of the US mediumrange missiles in Europe and of the Soviet nuclear countermeasures; the achievement at the Geneva Soviet-American talks of adequate accords on the withdrawal of the existing missiles from the Continent and of other nuclear weapons.

Considering the grave situation in Europe, our country deems it necessary that the European peoples participate in an adequate format in the Soviet-American talks on nuclear

weapons and the outer space militarization. Particularly, Romania thinks it necessary that the Warsaw Treaty and NATO countries meet and actively contribute to the success of the talks between the USSR and the US. At the same time Romania considers it necessary that in the various international conferences and bodies (Geneva, Vienna) activity devoted to disarmament be intensified.

Particularly important is the halting of any action of outer space militarization. Romania considers as necessary the general regulation of the outer space use for peaceful purposes, she deems it necesarry that the UN assume responsibility for the achievement of an international treaty on the outer space.

Romania is for the banning of the production and improvement of the chemical weapons and for the destruction of the stockpiles in existence; the banning of the radiological arms; the dismantlement of the military bases on the territories of other states and the withdrawal of the foreign troops to within their national frontiers; the reduction of the military character of the two blocs and the provisions of conditions for the concomitent abolition of the NATO bloc and of the Warsaw Treaty; the resumption of the policy of detente, the ensuring of security and peace in Europe and the world over.

As an European country Romania is an active presence in the struggle for peace, collaboration, disarmament and security in the Continent. We work for securing the continuity of the process inaugurated by the 1975 Helsinki Conference on security and cooperation on the continent, for the successful unfolding of the Stockholm Conference that should lead to the convenanting of concrete measures on enhancing the security and confidence and open up the path to the subsequent beginning of negotiations on and achievement of practical disarmament measures in Europe.

Romania promotes an active policy of development of the collaboration in the Balkans, works for the achievement in this region of a zone free of nuclear weapons and foreign

military bases, supports the creation of denuclearized zones in other regions of Europe and the world. We declare for the organization of a summit meeting of the Balkan states to discuss problems related to the enhancement of confidence, good neighbourliness, security and multilateral collaboration, to turning this region into a nuclear-free zone.

One of the permanent orientations of the Romanian foreign policy is the backing of all nations' right to independence, to sovereignty. Our country promotes the active solidarity with the peoples' struggle for freedom and national independence, against any form of domination and oppression, declares for the observance of every people's sacred right to develop self-dependently.

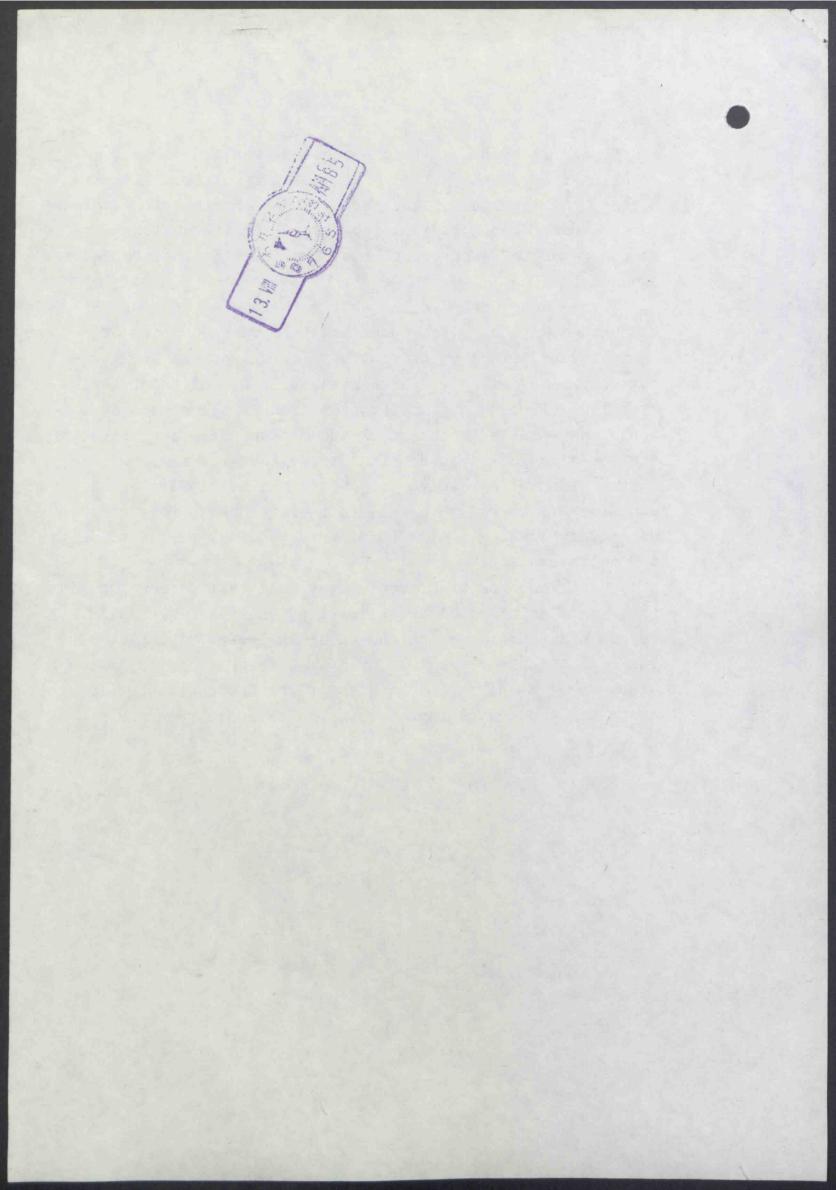
President Nicolae Ceauşescu substantiated the conception according to which the policy of force and threat with force should be completely eliminated from international life, the disputed interstate issues should be solved only by peaceful, negotiated means.

A major coordinate of Romania's international policy is the action for the eradication of underdevelopment and the building of a new world economic order relying upon equality, equity and mutual advantage. Starting from the fact that because of the world economic crisis the developing countries' situation has worsened considerably, the gaps between the rich and poor countries have grown, that consequent to the financial and price policy, to the excessively high interest rates, the developing countries' foreign debt has considerably grown, Romania declares for: real negotiations between the developed countries and the developing countries on the socioeconomic development as a whole; the establishment of a general programme of supporting the efforts for the radication of underdevelopment; the establishment of a global solution for the developing countries' debts; the seeking out of new financial means to give credits to the poor countries for development, which can be achieved on account of cutting down the spending on arming; the revamping of the world monetary

and financial system, with the sequred equal participation of all states in the activity of the international financial bodies; the securing of the developing countries' free access to the modern technologies, the removal of the customs barriers and the securing of proper prices for these countries' products.

Resolutely declaring for increasing the role of the United Nations which completes this year 40 years of activity and of other international organizations in the democratic settlement, upon equitable bases, of the international problems, with the participation of all states of the world, especially of the small and medium-sized countries, of the non-aligned and developing states, Romania makes a contribution of herown to the debate and settlement of the problems of general interest, to increasing the role of the UN in establishing a climate of international peace, security and collaboration.

The Romanian people meet the great national holiday of August 23 in a full creative elan, committed with all forces and power of creation, under the powerful impact of the resolutions of the 13th Congress, to the carrying through of the programmes for the country's socio-economic development, meant to lend new coordinates to our nation's progress.





4 PALACE GREEN LONDON W8

PRESS RELEASE

THE 40TH ANNIVERSARY OF VICTORY OVER FASCISM AND ROMANIA'S INDEPENDENCE DAY CELEBRATION

This 9th of May, the Romanian people, like entire progressive world, will celebrate 40 years since victory over fascism - an event of overriding importance in world history, in the fight of world nations agains the most reactionary forces of imperialism, darkness and war.

By a happy coincidence, the 9th of May is our independence day - a luminous page in national history, in the Romanian people's centuries-old fight for liberty and independence - when we bring our tribute and pay our deep homage to the nation's heroes, to all those who fought with incomparable bravery on the battlefront and sealed with their blood the historic proclamation of Romania's full state independence in 1877.

A free and dignified people whose energies are fully committed to the building of the most just and humane system history has ever known - the socialist and communist system - in its country, the Romanian people will duly mark these two events that were decisive for its destiny, for its free and independent assertion among the world's nations.

in one broad front the aim of which was to take Romania out of the war and join the anti-fascist coalistion. Facing the terror of prison life and firing squards, thousands of the country's sons - communist, patriotic and anti-fascist fighters - gave their lives in that clash with the fascist war machine.

Carrying through the anti-fascist and anti-imperialist revolution of social and national liberation of August 1944 that led to the overthrow of Antonescu's military dictatorship, the Romanian people like one man, having shaken off the fascist rule and taken its fate into its own hands, turned arms against Hitler's Germany and joined the anti-fascist coalition with all its military and economic potential fighting till the final victory over Hitler's Germany. The Romanian people's determination in joining the anti-Hitlerite fight, its heroism and huge sacrifices were facts that proved it had nothing in common with those who started the war against the Soviet Union, that its aspirations went with those of the peoples that stood up to fascism, and fought for justice, liberty and independence.

Romania's joining the anti-fascist war on the side of the Soviet Union and the other allied nations at a time when its fate was indecided yet, when Nazi Germany was far from being defeated, was a strong blow to Hitler's strategic plans, it led to the collapse of the whole Balkan front and paved the way for the Soviet armies' fast advance and the rout of Nazi German's military positions in this part of Europe. It shortened the war by at least six months and significantly brought forward the allied victory over fascist Germany.

Freeing - at the cost of heavy battles supported by the people, by patriotic fighting units - the capital and most of the country from Hitler's troops, the Romanian army fought, shoulder to shoulder with the Soviet soldiers, to liberate the North-Western part of Romania that Horthyist Hungary overran after the odious fascist Vienna dictate of the 30th of August, 1940. On the 25th of October, 1944 all Hitlerite and Horthyist troops had been driven off the homeland, after which the Romanian military, alongside the Soviet army,

that bore the brunt of the war and made the heaviest sacrifices in the huge battle against fascism, went on fighting heroically and took an active part in the liberation of Hungary, Czechoslovakia and parts of Austria to the toal defeat of Hitler's Germany and the victorious end of the war.

On the 9th Of May, 1945 when the anti-Hitlerite war ended with the brilliant victory of the allied nations, the Romanian army has gone a long, over 1,700 km way from the Black Sea to Bohemia and liberated over 3,800 settlements including 53 towns. Its total strength at the front was of around 540,000 men of whom nearly 170,000 were the toll of dead, wounded or missing of heavy battles, for their valour and bravery on the battle-field, more than 300,000 Romanian servicemen were awarded Soviet, Czechoslovak, Hungarian and Romanian high military orders and medals. Economically, Romania's contribution to the defeat of Hitler's war machine was put at over one thousand million dollars at the 1938 rate, or the equivalent of at least four times Romania's 1938 budget revenues

Through its military strength at the front and its material and human effort in support of the anti-fascist war, Romania ranked fourth among the countries that contributed to the defeat of Hitler's Germany, after the Soviet Union, the United States of America and Britain, a fact acknowledged by leading personalities in the allied nations coalition including participants in the Paris peace conference. In his survey of the war at the Paris peace conference, the Soviet Union's foreigb minister stressed: "We all know that Romania was the state the resolute action of which brought the downfall of Antonescu's fascist regime to join the allies ... together with us, with the allied troops, the new democratic Romania began the fight for Hitler's defeat, made considerable sacrifices in that fight, and we all acknowledge the Romanian people's sacrifices for that cause". And J. Tomas, MP, told Britain's House of Commons that as long Romania was the fourth country in terms of its military strength at the front against Germany, a proposal could be made for it to be given co-beligerent status.

At the end of the anti-Hitlerite war, the Romanian army came home victorious, with its banners covered with glory, marching under the Arc of Triumph like a winning army that had done its duty to the country and the people, to the cause of saving mankind from the horrors of fascism, and in that way winning the well-deserved gratitude of other peoples, of mankind as a whole.

Now, when we celebrate forty years since the victory over fascism, we must draw the right conclusions from the circumstances that led to the outbreak of the second world war and from its causes, take firm action, alongside all the peoples of the world, all peace-loving forces everywhere for that scourge never to recur.

In the forty years since the victory over fascism, the world has seen great, revolutionary political and social changes. In Europe, Asia, Latin America new socialist countries have emerged that are a huge force of peace and progress. The colonial system fell apart and on its ruins many independent states were formed that state ever more strongly their determination freely to develop as they wish. Many of these countries opt for the socialist path of economic and social development. Throughout the world, the struggle has grown for the defence and strengthening of national independence, against the imperialist policy of domination and oppression, for free, self-reliant development on the path of progress, democracy and peace.

However, it should be said that, whereas the peoples increasingly assert their will to be their own masters, to live in peace and cooperation, the old imperialist policy of force and dictate, of maintenance and acquisition of new zones of influence, of violation of the rights and liberties of the masses, of the peoples' independence and sovereignty continues to show around the world. Older conflicts persist and ever grow worse, and new ones crop up in various parts of the globe. In consequence to all this, but especially to the growing arms race, the nuclear one in particular, tension runs high internationally, putting the lives and liberty of peoples,

6 world peace in jeopardy. In the current international circumstances, a world war would inevitably become a nuclear war that would lead to the destruction of the European continent. of living conditions on our planet. Under the circumstances, to stop the arms race, avert war and safeguard peace is the cardinal question of our age. This requires more than ever before that all the peoples of the world - but particularly those in Europe that could know the full effects of two world wars during the century should learn the lessons of history and concert their efforts, work together before it is too late to stop the dangerous course of events to confrontation and war, to nuclear catastrophe. Romania welcomed the meeting early this year between the Soviet and American foreign ministers and believes the agreement to open negotiations on important problems of nuclear and space weapons are a positive factor of great significance. The peoples of the world expect the two great nuclear powers further to make efforts so that their talks due to start in March should cover with a high sense of responsibility the cessation of the nuclear arms race, an end to the deployment of US medium-range missiles and to the Soviet nuclear countermeasures, pave the way for adequate agreements on the withdrawal of missiles and eventually of all nuclear weapons from Europe. Moreover, we are of the opinion that is is highly important to stop all actions aimed at the militarization of space, which is a huge threat to the lives of all peoples on our planet. In consideration of the serious situation in Europe - where most of the nuclear weapons are concentrated - Romania holds the view that all European peoples and countries should be more active, participate in an appropriate way in the Soviet-American talks on nuclear disarmament. More particularly, the countries in the two military pacts - the NATO and the Warsaw Treaty - ought to meet, discuss and contribute to the success of negotiations between the Soviet Union and the United States of America. No effort should be spared to come to

EMBASSY OF THE SOCIALIST REPUBLIC OF ROMANIA



PRESS RELEASE

BUCHAREST, AGERPRES. 23/11/1984

THIRTEENTH R C P CONGRESS CONCLUDES
THE 13TH RCP CONGRESS ENDED ITS WORK ON NOVEMBER 22. THE GREAT
ROMANIAN COMMUNIST FORUM UNANIMOUSLY RE-ELECTED NICOLAE CEAUSESCU
RCP GENERAL SECRETARY. A NEW CENTRAL COMMITTEE WAS ELECTED (265
FULL MEMBERS AND 181 ALTERNATE MEMBERS) THAT MET IN PLENUM TO
ELECT ITS EXECUTIVE POLITICAL COMMITTEE (23 FULL MEMBERS AND
25 ALTERNATE MEMBERS) AND SECRETARIAT.

THE CONGRESS ADOPTED ROMANIA'S GENERAL ECONOMIC AND SOCIAL DEVELOPMENT LINES AND ORIENTATIONS FOR THE 1986-1990 FIVE-YEAR PERIOD AND BEYOND, UNTIL THE YEAR 2000, AS WELL AS AS

SPECIAL PROGRAMMES BY FIELDS OF ACTIVITY.

IN A CLOSING SPEECH, NICOLAE CEAUSESCU EMPHASISED THE DE-LEGATES' SENSE OF RESPONSIBILITY IN THEIR DISCUSSION OF THE ITEMS ON THE AGENDA, THE HIGH STANDING OF THE DEBATE. THIS, HE SAID, SHOWS THAT OUR PARTY IS STRONG AND UNITED, AND WARRANTS THAT WHAT CONGRESS DECIDED WILL BE CARRIED OUT. AS A MATTER OF FACT, THE DECISIONS OF THE CONGRESS ARE THE DECISIONS OF THE ENTIRE PEOPLE, THE R C P GENERAL SECRETARY STRESSED, ADDING THAT THE CONGRESS WAS ADDRESSED BY 486 DELEGATES AND THAT, IN A NATIONWIDE DEBATE PRECEDING IT, 690,000 COMMUNISTS AND HUNDREDS OF THOUSANDS OF NON-PARTY MEMBERS STATED THEIR SUPPORT TO THE DOCUMENTS THAT CT DNDORSDD.

OMERE MAY BE FOREIGN OBSERVERS WHO WONDER WHAT KIND OF DEMOCRACY IS THAT WHERE DECISIONS ARE UNANIMOUSLY ADOPTED. ANTICIPATING THEIR QUESTIONS I WOULD ANSWER THAT THE UNITY OF THE PARTY,
OF OUR CONGRESS, IN THE RANKS OF THE PEOPLE IS AN EXPRESSION OF
THE UNITY OF INTERESTS, BECAUSE ANTAGONISTIC CLASSES WERE LIQUIDATED IN THE SOCIALIST REPUBLIC OF ROMANIA. THE ROMANIAN
NATION IS MADE UP OF FRIENDLY SOCIAL CLASSES AND CATEGORIES THAT
HAVE THE SAME INTERESTS: TO BUILD A NEW SOCIETY FREE OF OPPRESSORS, A SOCIETY OF SOCIAL EQUALITY AND JUSTICE, WHERE EACH AND
EVERY MEMBER IS GUARANTEED FULL RIGHTS IN ALL DOMAINS, THE RIGHT
TO WORK, TO LEARN, THE RIGHT TO ACTIVELY TAKE PART IN GOVERNING
SOCIETY. THESE ARE THE CAUSE AND THE DECISIVE FACTOR OF OUR
PARTY'S AND PEOPLE'S INDESTRUCTIBLE UNITY.

(MORE)

THIRTEENTH RCP CONGRESS CONCLUDES (2)

WE HAVE BOTH THE MATERIAL AND PARTICULARLY THE HUMAN FORCE NEEDED FOR THE SUCCESSFUL IMPLEMENTATION OF ALL PROGRAM-MES AND PROVISIONS FOR THE OUR HOMELAND'S FUTURE DEVELOPMENT.

THE CONGRESS DEBATED AND ENDORSED UNANIMOUSLY THE INTERNA-TIONAL ACTIVITY AND POLICY OF THE CENTRAL COMMITTEE AND THE GOVERNMENT, OF SOCIALIST ROMANIA, OF COLLABORATION WITH ALL THE STATES OF THE WORLD, IRRESPECTIVE OF THEIR SOCIAL SYSTEM. OF FIRM ACTION TO STRENGTHEN UNITY AND COOPERATION WITH ALL THE SOCIALIST COUNTRIES, WITH ALL THE STATES OF THE WORLD IN THE STRUGGLE TO HALT THE ARMS RACE, NUCLEAR IN PARTICULAR, FOR DISARMAMENT, NUCLEAR DISARMAMENT IN THE FIRST PLACE, FOR A LASTING PEACE THROUGHOUT THE WORLD.

THE RCP GENERAL SECRETARY WARMLY THANKED ALL THE PARTIES AND ORGANIZATIONS THAT PARTICIPATED IN THE CONGRESS OF THE ROMANIAN COMMUNIST PARTY, AND ALL THE PARTIES, ORGANIZATIONS AND PERSONALITIES THAT SENT MESSAGES OF SALUTE TO OUR CONGRESS.

NICOLAE CEAUSESCU THANKED THE ROMANIAN PRESS, RADIO AND THE TELEVISION FOR THE WAY THEY COVERED THE PREPARATION OF THE

CONGRESS AND ITS PROCEEDINGS.

THANKING THE FOREIGN PRESS, RADIO AND TELEVISION STATIONS THAT COVERED OUR CONGRESS, HE SAID ACCORDING TO THE INFORMATION HAVE, BY AND LARGE THEIR COVERAGE OF OUR CONGRESS WAS FAIR, CORRECT. YOUCOULD SEE THE SPIRIT IN WHICH OUR CONGRESS DEBATED THE PROB-LEMS, AND THAT EVERYTHING WE ARE PLANNING IS DONE IN THE OPEN, TOGETHER WITH THE PEOPLE, BECAUSE IT CAN ONLY BE DONE WITH THE PEOPLE. WE HAD AND HAVE NOTHING TO HIDE FROM OUR PEOPLE OR OTHER PEOPLES. OUR PEOPLE'S ASPIRATIONS AFTER WELFARE. FREEDOM, INDEPENDENCE AND SOCIALISM ARE THREATENING NO PEOPLE. ON THE CONTRARY. THE BETTER WE IMPLEMENT OUR PROGRAMMES, THE MORE ACTIVELY WILL WE TAKE PART IN THE INTERNATIONAL LIFE,

IN INTERNATIONAL COLLABORATION, IN THE STRUGGLE FOR PEACE.
YOU COULD SEE, AND YOU MAY BE CERTAIN THAT WE DISCUSSED
NO SECRETS AND WE THINK OF NO ACTIONS THAT MAY HARM THE INTERESTS OF OTHER PEOPLES. WE ''CONTRIVED'' SONNETHING. IF I MAY SAY SO AND WE DISCUSSED WITH MANY FOREIGN REPRESENTATIVES TO OUR CONGRESS, WHAT TO DO TO CHECK THE WAR THREAT, TO SAFEGUARD PEACE. BUT WE WOULD LIKE TO SEE ALL CONGRESSES OF OTHER PARTIES, WHATEVER THEIR SHADE, CONCENTRATE, ON THIS AND DO EVERYTHING POSSIBLE TO STRENGTHEN COOPERATION WITH EVERY PARTY, WITH ALL PEOPLE WHO WANT PEACE. WHO WANT TO LIVE IN FREEDOM AND INDEPENDENCE.



4 PALACE GREEN LONDON W8

PRESS RELEASE

REPORT

DELIEVERED BY NICOLAE CEAUSESCU TO THE 13TH CONGRESS OF THE ROMANIAN COMMUNIST PARTY

IN THE FIRST PART OF THE CENTRAL COMMITTEE'S REPORT WHICH
HE PRESENTED TO THE CONGRESS, THE RCP GENERAL SECRETARY SUMMED UP
THE FULFILMENT OF THE RESOLUTIONS OF THE 12TH CONGRESS AND OF
THE NATIONAL CONFERENCE OF THE RCP. HE STRESSED THAT THE INDUSTRIAL
OUTPUT DYNAMICS THROUGHOUT THE 1981-1985 FIVE-YEAR PERIOD WOULD BE
OF ALMOST 6 PER CENT A YEAR AND FARM OUTPUT WAS TO RISE BY ALMOST
5 MILLION TON FROM THE PREVIOUS FIVE-YEAR PERIOD. IN THE CURRENT
FIVE-YEAR PLAN PERIOD OVER 1,850 NEW PRODUCTIVE UNITS WILL START
OPERATION. IN 1985 THE FOREIGN TRADE VOLUME WILL BE BY SOME 28
PER CENT BIGGER THAN IN 1980. THE SOCIAL PRODUCT GROWS AT AN ANNUAL RATE OF SOME 5 PER CENT AND THE NATIONAL INCOME - AT OVER 7
PER CENT. THE WORKING PERSONNEL'S REAL REMUNERATION WILL BE BY 8
PER CENT HIGHER IN 1985. AT THE SAME TIME THE PER FAMILY SOCIOCULTURAL EXPENDITURES GO UP FROM 10,440 LEI IN 1980 TO SOME
13,000 LEI IN 1985. THIS FIVE-YEAR PERIOD WILL SEE THE BUILDING OF ABOUT 750 THOUSAND NEW FLATS. ALL THIS, NICOLAE CEAUSESCU
SAID, DEMONSTRATES THAT THE RCP ACTED CORRECTLY WHEN IT CONCENTRATED POWERFUL FORCES ON THE COUNTRY'S INDUSTRIALIZATION, ON THE
DEVELOPMENT OF AGRICULTURE. HAD THIS POWERFUL MATERIAL BASE,
NOT BEEN BUILT, ROMANIA COULD NOT HAVE OVERCOME THE DIFFICULTIES,
THE EFFECTS OF THE ECONOMIC CRISIS.

THE RCP GENERAL SECRETARY THEN PRESENTED ROMANIA'S SOCIOECONOMIC DEVELOPMENT LINES FOR THE 1986-1990 FIVE-YEAR PERIOD
AND THE GUIDELINES UNTIL THE YEAR 2000. THE TARGET OF THE NEXT
FIVE-YEAR PLAN, NICOLAE CEAUSESCU SHOWED, IS THE STEADY CONTINUATION OF THE POLICY OF BUILDING THE MULTILATERALLY DEVELOPED SOCIALIST SOCIETY IN ROMANIA AND ITS ADVANCEMENT TO COMMUNISM. IN
THE NEXT FIVE-YEAR PERIOD, TOO, SOME 30 PER CENT OF THE NATIONAL
INCOME WILL BE EARMARKED FOR DEVELOPMENT.''IT CAN BE SAID'',
NICOLAE CEAUSESCU STRESSED, ''THAT ONLY 28-32 PER CENT OF THE
NATIONAL INCOME CAN ENSURE THE ENLARGED REPRODUCTION AND THE
FREE AND INDEPENDENT FUTURE OF A NATION, OF A PEOPLE''.

REPORT (2)

HIGHLIGHTING THE MAIN TARGETS OF THE COUNTRY'S DEVELOP-MENT IN THE NEXT FIVE-YEAR PERIOD, THE RCP GENERAL SECRETARY SHOWED THAT IN THIS SPAN OF THIME THE MARKETABLE INDUSTRIAL OUTPUT IS TO GROW AT AN AVERAGE ANNUAL RATE OF SOME 6-6.5 PER CENT WITH THE KEY INDUSTRIES RECORDING AN EVEN HIGHER DYNAMICS. BY 1990 THE CEREAL OUTPUT WILL BE OF 30-32 MILLION TONS. SOME 1,400 BILLION LEI WORTH OF INVESTMENTS ARE PLANNED FOR 1986-1990. THE STRESS WILL BE ON THE INTENSIVE FACTORS OF DEVELOPMENT, WITH AN OUTSTANDING ROLE TO BE PLAYED BY RESEARCH. BY 1990, PER CENT OF ROMANIAN GOODS MUST COMPLY WITH WORLD STANDARDS IN TERMS OF PERFORMANCE AND QUALITA, AND AT LEAST 2-5 PER CENT OF THEM MUST EXCEED THEM. IN FULFILLING THESE PROVISIONS, AN IM-PORTANT ROLE GOES TO THE DEVELOPMENT OF INTERNATIONAL ECONOMIC RELATIONS AND COOPERATION IN PRODUCTION WITH OTHER STATES, ESPECIA-LLY ON THE BASIS OF LONG-TERM AGREEMENTS. THE RCP GENERAL SECRETARY POINTED OUT THAT HIS COUNTRY WOULD MOST RESOLUTELY WORK FOR THE IMPLEMENTATION OF THE UNDERSTANDINGS REGARDING THE IMPROVEMENT OF CMEA ACTIVITY, THE DEVELOPMENT OF ECONOMIC EXCHANGES AND COOPERATION IN PRODUCTION WITH ALL SOCIALIST COUNTRIES. AT THE SAME TIME, IT WILL WORK FOR THE FURTHER EXPANSION OF ITS ECO-NOMIC RELATIONS WITH THE DEVELOPING COUNTRIES AS WELL AS WITH THE DEVELOPED CAPITALIST COUNTRIES, WITH ALL THE STATES OF WORLD, IRRESPECTIVE OF SOCIAL SYSTEM. EVERY MEASURE WILL BE TAKEN FOR THE ACHIEVEMENT OF ACTIVE TRADE AND PAYMENTS BALANCES. FIRM ACTION WILL BE TAKEN FOR THE COUNTRY'S FOREIGN DEBT TO BE REPAID IN THE FIRST YEARS OF THE NEXT FIVE-YEARR PERIOD. INTERNA-TIONAL EXCHANGES ARE TO GROW BY 41-45 PER CENT THROUGHOUT THE FIVE-YEAR PERIOD. THE SOCIAL PRODUCT WILL HAVE AN ANNUAL DYNAMICS OF SOME 5-5.7 PER CENT AND THE NATIONAL INCOME - OF SOME 8 PER CENT. THE VOLUME OF CONSUMER GOODS SOLD TO THE POPULATION WILL GROW BY SOME 10 PER CENT AND THAT OF SERVICES - BY ABOUT 70 PER CENT.

REPORT (3)

BY THE YEAR 2000, NICOLAE CEAUSESCU SAID PRESENTING THE LONG-TERM ORIENTATIONS FOR THE COUNTRY'S DEVELOPMENT, ROMANIA WILL BE A MULTILATERALLY DEVELOPED INDUSTRIAL-AGRARIAN COUNTRY. INDUSTRIAL PRODUCTION WILL BE WORTH 2,800-3,200 BILLION LEI BY THAT YEAR. AUTOMATION, CYBERNATION AND ROBOTIZATION OF PRODUCTION AND OF OTHER SOCIO-ECONOMIC ACTIVITIES WILL BE GENERALIZED, FARM PRODUCTION IS TO ROUGHLY DOUBLE BY THE END OF THE MILLENNIUM. IN THE YEAR 2000 THE NATIONAL INCOME WILL BE 2.3-2.6 TIMES HIGHER THAN IN 1985. AVERAGING A PER CAPITA 72-82 THOUSAND LEI.

PRESENTING THE PRINCIPLES UNDERLYING THE ROMANIAN STATE'S ECONOMIC POLICY, NICOLAE CEAUSESCU STRESSED THAT, IN APPLYING THE ECONOMIC LAWS, ONE SHOULD ACT PURPOSEFULLY, YET AVOIDVOLUNTARISM AS WELL AS THEIR SPONTANEOUS MANIFESTATION. A GROWING ROLE OF THE STATE TO ENSURE THE UNITARY AND HARMONIOUS DEVELOPMENT OF SOCIETY IS AN OBJECTIVE NECESSITY. RENUNCIATION OF THE PRINCIPLE OF PLANNED SOCIO-ECONOMIC DEVELOPMENT WOULD INEVITABLY DISORGA-NISE ACTIVITIES AND RESULT IN CONTRADICTIONS THE EFFECTS OF WHICH

WOULD BE SERIOUS. THE ECONOMIC POLICY SHOULD RELY UPON THE PRIN-CIPLE OF DEMOCRATIC CENTRALISM HARMONIZING THE BROAD INITIATIVE OF THE MASSES, OF THE DEMOCRATIC BODIES WITH THE PRINCIPLE OF ONE MANAGEMENT OF ALL SECTORS.

HIGHLIGHTING THE GROWING LEADING ROLE OF THE RCP IN ALL DO-MAINS OF ACTIVITY, THE SPEAKER MENTIONED THAT PARTY MEMBERSHIP WAS OF 3,400,000, AN OVER 580,000 INCREASE FROM THE PREVIOUS CONGRESS.

IN THE CHAPTER DEVOTED TO THE INTERNATIONAL SITUATION. TO THE FOREIGN POLICY OF THE RCP AND ROMANIAN STATE, NICOLAE CEAUSESCU POINTED OUT THAT EVENTS OF RECENT YEARS HAVE PROVED WITH THE FORCE OF FACTS THAT THE POLICY OF INTERNATIONAL DETENTE, DISARMAMENT, PEA-CE AND COOPERATION CAN ONLY BE MAINTAINED AND SOLIDIFIED THROUGH THE PERMANENT STRUGGLE OF THE PROGRESSIVE, ANTI-IMPERIALIST FORCES, OF PEOPLES EVERYWHERE.

THE GROWING DANGER OF A NEW WORLD WAR, OF A NUCLEAR CATA-STROPHE ASKS ALL PEOPLES TO DO THEIR UTMOST TO CHECK THE DAN-GEROUS COURSE OF EVENTS. THAT IS WHY THE FUNDAMENTAL PROBLEM OF THE CONTEMPORARY ERA IS THE HALTING OF THE ARMS RACE AND FIRST AND FOREMOST OF THE NUCLEAR ONE, THE PASSAGE TO DISARMA-MENT AND THE ENSURANCE OF LASTING PEACE IN THE WORLD.

A PARTICULARLY SERIOUS SITUATION WAS CREATED IN EUROPE AT THE END OF 1983, WHEN AMERICAN MEDIUM-RANGE MISSILES STARTED BEING DEPLOYED IN SEVERAL WEST EUROPEAN STATES MAKING THE SO-VIET UNION AND CERTAIN EUROPEAN SOCIALIST COUNTRIES TAKE NU-CLEAR COUNTERMEASURES. WE THINK IT NECESSARY THAT EVERYTHING SHOULD BE DONE TO PUT A STOP TO THE IMPLEMENTATION, BY BOTH SIDES, OF SUCH MEASURES. THE DEPLOYMENT OF US NUCLEAR MISSILES AND THE CARRYING IN-TO EFFECT OF THE SOVIET UNION'S COUNTERMEASURES SHOULD BE HALTED, AND A DEADLINE SHOULD BE ESTABLISHED FOR THE WITHDRAWAL OF THOSE ALREADY SITED. THE NEGOTIATIONS BETWEEN THE UNITED STATES AND THE SOVIET UNION SHOULD BE RESUMED, WHICH HAVE TO BE HELD IN ALL EARNESTNESS AND RESPONSIBILITY, STARTING FROM THE NEED FOR AN ADEQUATE AGREEMENT ON NUCLEAR AND OTHER WEAPONS TO BE CON-CLUDED, WITH SOLUTIONS FOR THE REMOVAL OF THE MEDIUM-RANGE MIS-SILES FROM EUROPE AND THEN OF ALL NUCLEAR WEAPONS.

REPORT ... (4)

THE STATES ON OUR CONTINENT AND ESPECIALLY THE NATO AND THE WARSAW PACT MEMBER STATES SHOULDD PARTICIPATE - IN AN ADEQUATE MANNER - IN NEGOTIATIONS LEADING TO THE CONCLUSION OF AN AGREEMENT ON THE ELIMINATION OF NUCLEAR WEAPONS FROM EUROPE. THE SUCCESSFUL CONCLUSION OF THE STOCKHOLM CONFERENCE WOULD BE OF GREAT IMPORTANCE FOR THE POLICY OF DETENTE AND COOPERATION, FOR THE STRENGTHENING OF FRIENDSHIP AMONG THE COUNTRIES OF OUR CONTINENT, THE SPEAKER SAID.

ROMANIA ACTS IN ALL DETERMINATION FOR THE DEVELOPMENT OF MULTILATERAL COOPERATION AMONG THE BALKAN COUNTRIES, FOR THE TURNING OF THAT AREA INTO A NUCLEAR-FREE ZONE WITHOUT FOREIGN MILITARY BASES, HE WENT ON. WE CALL ON ALL BALKAN COUNTRIES TO STRENG-THEN THEIR COOPERATION AND TAKE ACTION FOR SECURING PEACE AND COLLABORATION AMONG THE COUNTRIES IN THE REGION.

HE WELCOMED THE PROPOSALS AND EFFORTS FOR THE ESTABLISHMENT OF NUCLEAR-FREE ZONES IN NORTHERN AND CENTRAL EUROPE AND IN OTHER REGIONS OF THE WORLD.

WE SHOULD DO OUR UTMOST TO DEVELOP FRIENDSHIP AND COOPERATION AMONG THE EUROPEAN COUNTRIES, TO BUILD A UNITED EUROPE, ON THE BASIS OF OBSERVANCE OF THE DIVERSITY OF SOCIAL SYSTEMS, OF EVERY PEOPLE'S RIGHT TO CHOOSE THE SYSTEM IT WISHES, WITHOUT

ANY OUTSIDE INTERFERENCE, THE SPEAKER SAID.

IT IS NECESSARY TO INTENSIFY THE STRUGGLE FOR THE ACHIEVE-MENT OF GENERAL DISARMAMENT. IN THIS RESPECT, THE WARSAW PACT COUNTRIES HAVE MADE A NUMBER OF IMPORTANT PROPOSALS. WE HAIL AND BACK THE SOVIET UNION'S PROPOSALS ON DISARMAMENT AND ON HALTING THE MILITARIZATION OF OUTER SPACE. I SHOULD LIKE TO MENTION THE IMPORTANT PROPOSALS LATELY ADVANCED BY COMRADE CHERNENKO, GENERAL-SECRETARY OF THE CC OF THE COMMUNIST PARTY OF THE SOVIET UNION. LIKEWISE, THE NATO COUNTRIES HAVE PUT FORWARD PROPOSALS CREATING OPPORTUNITIES FOR A CONSTRUCTIVE DIALOGUE. AT THE SAME TIME, THE UNITED STATES, PRESIDENT REAGAN, - DURING THE ELECTORAL CAMPAIGN AND SHORTLY AFTER THE ELECTIONS - HAVE PRESENTED PROPOSALS WHICH CAN PROVIDE A BASIS FOR TALKS. THERE ARE ALSO OTHER PROPOSALS MADE BY VARIOUS STATES, BY THE NON-ALIGNED MOVEMENT, BY VARIOUS INTERNATIONAL ORGANIZATIONS. ALL THIS REFLECTS THE CONCERN OF ALL STATES, OF THE PEOPLES FOR ENDING THE DANGEROUS COURSE OF EVENTS.

IT IS NECESSARY AND IT IS HIGH TIME TO PASS FROM WORDS TO DEEDS. THE GROWTH OF MILITARY SPENDING MUST BE BROUGHT TO A HALT AND AN AT LEAST TEN PER CENT CUT BE OPERATED ON THOSE EXPENDITURES WITHOUT DELAY, TO BE FOLLOWED BY A PRACTICAL AND REAL PROGRAMME FOR AN ANNUAL CURBING OF MILITARY EXPENSES. SIMULTANEOUSLY, A START MUST BE MADE IN REDUCING ARMAMENTS AND ARMED FORCES, PRIMARILY THOSE OF THE TWO MILITARY BLOCS .WE CONSIDER THAT EFFORTS SHOULD BE INTENSIFIED FOR LESSENING THE MILITARY NATURE OF THE TWO BLOCS AND FOR CREATING CONDITIONS WITH A VIEW TO SIMULTANEOUSLY DISSOLUTING BOTH THE NATO BLOC AND THE WARSAW PACT. THE ABOLITION OF MILITARY BLOCS WOULD BE A HUGE GAIN, A DECISIVE STEP ALONG THE ROAD TO DISARMAMENT AND PEACE.

REPORT ... (5)

OUTER SPACE IS NOBODY'S PROPERTY. IT IS A COMMON ASSET OF ALL NATIONS, THE RCP GENERAL SECRETARY STRESSED ASSESSING THAT ANY ACTION FOR THE MILITARY USE OF OUTER SPACE SHOULD BE PUT AN END TO. THE UNITED NATIONS ORGANIZATION SHOULD ASSUME THE RESPONSIBILITY OF REACHING AN INTERNATIONAL TREATY ON THE OUTER SPACE. THE ORGANIZATION OF A WORLD CONFERENCE AND POSSIBLY THE SETTING UP WITHIN THE UN OF A SPECIAL BODY FOR THE PROTECTION OF OUTER SPACE MIGHT BE CONSIDERED.

THE AMPLE PEACE MOVEMENT IN EUROPE AND ON OTHER CONTINENTS REPRESENTS THE STRONGEST FORCE OF THE CONTEMPORARY WORLD CAPABLE OF STOPPING THE DANGEROUS COURSE OF EVENTS, OF PREVENTING A

NEW WORLD WAR, A NUCLEAR CATASTROPHE.

WE FIRMLY BELIEVE THAT IT LIES IN THE POWER OF THE PEOPLES EVERYWHERE TO DETERMINE, BY JOINT ACTION, THE RESUMPTION OF THE

POLICY OF DETENTE, COOPERATION AND PEACE IN THE WORLD.

NICOLAE CEAUSESCU POINTED TO THE NEED FOR REAL NEGOTIATIONS
AMONG THE DEVELOPING COUNTRIES, THE DEVELOPED COUNTRIES, THE
BANKS AND THE BODIES OF THE BANKING-FINANCIAL SYSTEM - INCLUDING
THOSE OF THE INTERNATIONAL FINANCIAL SYSTEM - FOR A GLOBAL SETTLEMENT OF THE DEVELOPING COUNTRIES' DEBT.

ROMANIA THINKS THAT THE WRITING OFF OF THE DEBTS DUE BY COUNTRIES WITH A PER CAPITA NATIONAL INCOME OF LESS THAN 500-600 US DOLLARS, A SUBSTANTIAL CUT IN THE DEBTS OF THE COUNTRIES WITH A PER CAPITA NATIONAL INCOME OF LESS THAN 1,000-1,200 US DOLLARS, AS WELL AS A GENERAL REDUCTION OF 30 TO 50 PER CENT OF ALL THE DEVELOPING COUNTRIES' DEBT SHOULD BE CONSIDERED.

IT IS LIKEWISE NECESSARY THAT TOGETHER WITH THE FIRM RE-DUCTION OF INTEREST RATES, NEW CREDITS SHOULD BE GRANTED, AT REASONABLE INTEREST RATES, IN ORDER TO SUPPORT THE DEVELOPING COUNTRIES' ECONOMIC AND SOCIAL DEVELOPMENT. THEREFORE IT IS NECESSARY FOR THE INTERNATIONAL MONETARY FUND TO GIVE UP ITS POLICY OF IMPOSING ECONOMIC AND POLITICAL CONDITIONS UPON THE DEVELOPING COUNTRIES, AS THIS IS AN INADMISSIBLE INTERFERENCE IN THE DOMESTIC AFFAIRS OF THOSE STATES. THE INTERNATIONAL MO-NETARY FUND, OTHER WORLD BODIES, THE BANKS SHOULD GRANT CREDITS WITHOUT ANY POLITICAL STRINGS ATTACHED, WITHOUT INTERFERING IN THE DOMESTIC AFFAIRS OF OTHER STATES. A RESTRURCTURING OF THE MONETARY AND FINANCIAL SYSTEM IS IMPERATIVE, AS IS THE PARTICIPATION, ON AN EQUAL FOOTING, OF ALL THE STATES IN THE ACTI-VITY OF THE INTERNATIONAL FINANCIAL ORGANISMS. GENUINE NEGOTIATIONS ARE NECESSARY BETWEEN THE DEVELOPED AND THE DEVELOPING COUNTRIES REGARDING THE ALL-ROUND ECONOMIC AND SOCIAL DEVELOPMENT. FOR ESTABLISHING A GENERAL PROGRAMME OF SUPPORTING THE EFFORTS FOR THE ERADICATION OF UNDERDEVELOPMENT. A NEW WORLD ECONOMIC ORDER MUST BE ACHIEVED, GROUNDED ON EQUALITY, EQUITY AND MUTUAL ADVANTAGE. ANOTHER NECESSITY IS A BROAD ACCESS OF THE DEVELOPING COUNTRIES TO MODERN TECHNOLOGIES, THE LIFTING OF CUSTOMS BARRIERS AND THE SETTING OF CORRESPONDING PRICES FOR THE PRODUCTS OF THOSE COUN-TRIES.

REPORT-...(6)

ROMANIA FIRMLY DECLARES FOR A POLITICAL SOLUTION IN THE MIDDLE EAST, CAPABLE OF SECURING A GLOBAL PEACE IN THE AREA, FOR THE SETTLEMENT OF THE PALESTINIAN PEOPLE'S PROBLEM ON THE BASIS OF ITS RIGHT TO SELF-DETERMINATION, INCLUDING THE CREA-TION OF AN INDEPENDENT PALESTINIAN STATE. IN THIS SPIRIT WE STAND FOR THE HOLDING OF AN INTERNATIONAL CONFERENCE WITH THE PARTICIPATION OF ALL STATES CONCERNED, THE PALESTINE LIBERATION ORGANIZATION INCLUDED. A GLOBAL SOLUTION SHOULD LEAD TO A JUST AND LASTING PEACE, TO THE ENSURANCE OF THE INDEPENDENCE AND SO-VEREIGNTY OF ALL THE STATES IN THAT ZONE.

WE BELIEVE IT NECESSARY THAT THE WAR BETWEEN IRAO AND IRAN SHOULD END AND THAT BOTH SIDES SHOULD WITHDRAW THEIR TROOPS WITHIN INTERNATIONAL BORDERS AND THAT NEGOTIATIONS SHOULD START

BETWEEN THESE TWO COUNTRIES.

THE ROMANIAN HEAD OF STATE SIAD THAT HIS COUNTRY ACTIVELY MILITATED FOR NAMIBIA'S INDEPENDENCEAND THEREFORE WAS FULLY SUPPORTING SWAPO'S STRUGGLE. ROMANIA STANDS FOR A HALT TO THE

RACIST AND APARTHEID POLICY IN SOUTH AFRICA.

THE SPEAKER HAILED THE STRUGGLE OF THE PEOPLES IN LATIN AMERICA FOR INDEPENDENT ECONOMIC AND SOCIAL DEVELOPMENT AND EXPRESSED SOLIDARITY WITH THE PEOPLE OF THE REPUBLIC OF NICARAGUA. HE SAID THAT THE PROBLEMS IN CENTRAL AMERICA SHOULD BE SETTLED ON THE BASIS OF THE PROPOSALS OF THE CONTADORA GROUP.

WE STAND BOTH AGAINST THE EXPORT OF REVOLUTION AND AGAINST THE EXPORT OF COUNTER-REVOLUTION, NICOLAE CEAUSESCU SAID. WE SHARE THE FULL CONFIDENCE THAT PEOPLES WILL BE PERFECTLY ABLE TO CHOOSE THE BEST WAY TO PROGRESS, FREEDOM AND INDEPENDENCE - AND, ACCORDING TO THE WORLD HISTORICAL DEVELOPMENT, THIS WAY CANNOT BE BUT SOCIALIST.

AS A RESULT OF THE POLICY OF STRENGTHENING AND DEVELOPING RELATIONS WITH ALL STATES, IRRESPECTIVE OF SOCIAL SYSTEM ROMANIA HAS DIPLOMATIC AND ECONOMIC TIES WITH 155 STATES ON ALL CONTINENTS.

THE RELATIONS WITH THE SOCIALIST COUNTRIES HAVE GROWN STRONGER. WE HAVE BEEN PAYING PARTICULAR ATTENTION TO THE EX-PANSION OF COLLABORATION WITH OUR NEIGHBOURS, THE SPEAKER WENT ON. IN THIS FRAMEWORK I SHOULD LIKE TO STRESS THE PERMANENT CONCERN OF OUR PARTY AND STATE FOR THE CONTINUOUS DEVELOPMENT OF THE COL-LABORATION WITH THE SOVIET UNION.

REPORT ... (7)

AS IS KNOWN, THE VALIDITY OF THE WARSAW PACT EXPIRES NEXT YEAR. AS NO CORRESPONDING ACCORD HAS BEEN REACHED FOR THE SIMUL-TANEOUS ABOLITION OF THE TWO MILITARY BLOCS - THE NATO AND THE WARSAW TREATY - WE DEEM THAT WE WILL HAVE TO CONSIDER ACCEPTING THE EXTENSION OF THE TERM OF THE TREATY. IN VIEW OF THE PARTICU-LAR IMPORTANCE OF THIS DECISION, I THINK IT NECESSARY TO SUGGEST TO THE CONGRESS TO GIVE ITS APPROVAL OF PRINCIPLE AND TO AUTHO-RIZE THE CENTRAL COMMITTEE TO ACT TOWARDS THE ADOPTION - TOGETHER WITH THE OTHER WARSAW PACT MEMBER STATES - OF RELEVANT DECI-SIONS. EVEN IF THE EXTENSION OF THE VALIDITY OF THE WARSAW PACT IS DECIDED, ROMANIA - AND WE DO BELIEVE SHE WILL BE JOIN-ED IN THIS BY THE OTHER MEMBER STATES - WILL SUPPORT ALL INI-TIATIVES TOARDS CREATING CONDITIONS FOR THE SPEEDY DISSOLUTION OF THE TWO MILITARY BLOCS. THIS IS IN THE INTEREST OF OUR OWN PEOPLES, AND SERVES THE CAUSE OF PEACE IN EUROPE AND ALL OVER THE WORLD.

THE ROMANIAN COMMUNIST PARTY AND THE SOCIALIST REPUBLIC OF ROMANIA WILL CONTINUE TAKING FIRM ACTION FOR FURTHER STRENG-THENING AND DEVELOPING THE COLLABORATION AND SOLIDARITY WITH ALL SOCIALIST COUNTRIES, FOR SURMOUNTING PENDING DIFFERENCES BETWEEN SOME OF THEM. WE HAIL THE NEGOTIATIONS BETWEEN THE SOVIET UNION AND THE PEOPLE'S REPUBLIC OF CHINA AND EXPRESS THE DESIRE AND HOPE THAT THESE NEGOTIATIONS WILL LEAD TO THE FULL NORMALIZATION OF RELATIONS BETWEEN THE TWO BIG SOCIALIST COUNTRIES.

WE ALSO CONSIDER THAT IT IS NECESSARY FOR DIRECT NEGOTIA-TIONS TO START BETWEEN THE PEOPLE'S REPUBLIC OF CHINA AND THE SOCIALIST REPUBLIC OF VIETNAM FOR THE CESSATION OF ALL MILI-TARY ACTIONS AND THE NORMALIZATION OF RELATIONS BETWEEN THE TWO SOCIALIST STATES.

WE WILL GREATLY EXPAND RELATIONS WITH THE DEVELOPING COUNTRIES, WITH THE NON-ALIGNED COUNTRIES, WITH SMALL AND MEDIUM-SIZED COUNTRIES, AS WE BELIEVE THAT THE STRENGTHENING OF SOLIDARITY AND COLLABORATION WITH THESE STATES IS AN IMPORTANT FACTOR FOR THE POLICY OF INDEPENDENCE, COLLABORATION AND PEACE IN THE WORLD.

AT THE SAME TIME, IN THE SPIRIT OF THE PRINCIPLES OF PEACE-FUL COEXISTENCE WE WILL FURTHER EXPAND RELATIONS WITH THE DE-VELOPED CAPITALIST COUNTRIES, WITH ALL THE STATES, REGARDLESS OF SOCIAL SYSTEM.

WE ARE GIVING GREAT ATTENTION TO THE MOVEMENT OF THE NON-ALIGNED COUNTRIES IN THE STRUGGLE FOR THE DEMOCRATIC SOLUTION OF THE MAJOR PROBLEMS OF THE CONTEMPORARY WORLD. WE CONSIDER THAT EVERYTHING SHOULD BE DONE TO END THE CONFLICTS BETWEEN SOME NON-ALIGNED COUNTRIES.

REPORT....(8)

NICOLAE CEAUSESCU MENTIONED THAT ROMANIA STANDS FIRMLY FOR A GREATER ROLE TO BE PLAYED BY THE UNITED NATIONS ORGANIZATION AND BY OTHER INTERNATIONAL BODIES IN THE DEMOCRATIC SETTLEMENT, ON THE BASIS OF INTERNATIONAL LAW, OF ALL INTERNATIONAL PROBLEMS, WITH THE PARTICIPATION OF ALL THE STATES AND PARTICULARLY OF THE SMALL AND MEDIUM-SIZED ONES, OF THE NON-ALIGNED AND DEVELOPING COUNTRIES.

WE CONSIDER IT NECESSARY THAT A SPECIAL BODY BE SET UP FOR GOOD OFFICES AND THE SETTLEMENT OF LITIGIOUS PROBLEMS BETWEEN

STATES THROUGH NEGOTIATIONS.

THE RCP GENERAL SECRETARY HIGHLIGHTED THAT EVERY EFFORT SHOULD BE MADE TO OVERCOME DIFFERENCES AMONG COMMUNIST AND WORKERS! PARTIES, REINFORCE SOLIDARITY AND BUILD A NEW UNITY ON THE BASIS OF EQUALITY AND RESPECT FOR EVERY PARTY'S RIGHT TO IN-DEPENDENTLY CHART ITS POLICY IN AGREEMENT WITH THE HISTORICAL NATIONAL AND SOCIAL CONDITIONS IN EACH COUNTRY. SOME PROBLEMS THAT HAVE ARISEN IN THE COMMUNIST AND WORKING-CLASS MOVEMENT ORIGINATE IN THE FORMER PRACTICES OF MEDDLING IN OTHER PARTIES! AFFAIRS AND ARE ALSO AN OUTCOME OF THE GREAT CHANGES AND NEW PROBLEMS THAT HAVE OCCURRED IN INTERNATIONAL LIFE. WE STRONGLY BELIEVE THAT SUCH PRACTICES SHOULD BE COMPLETELY ELIMINATED, WHILE DUE CONSIDERATION SHOULD BE GIVEN TO THE REALITIES OF ECONOMIC AND SOCIAL DEVELOPMENT, OF REVOLUTIONARY CHANGES IN THE WORLD. THE ROMANIAN COMMUNIST PARTY ASSESSES THAT FINDING WAYS TO REINFORCE SOLIDARITY AND UNITY IS IN THE INTEREST OF THE COM-MUNIST AND WORKER PARTIES. SO WE THINK THAT MEETINGS AND CONSULTA-TIONS - REGIONAL AND INTERNATIONAL CONSULTATIONS AND CONFERENCES IN-CLUDED - ARE A REQUISITE FOR DEVELOPMENT IN OUR TIMES. WE SUGGEST THAT SUCH CONSULTATIONS AND CONFERENCES SHOULD AIM AT FREE EXCHAN-GES OF VIEWS BUT SHOULD NEITHER TAKE DECISIONS NOR FORCE PARTICULAR VIEWPOINTS UPON OTHER PARTIES.

THE ROMANIAN COMMUNIST PARTY WILL THE SPEAKER SAID THAT FURTHER STRIVE IN ALL DETERMINATION FOR EXPANDING RELATIONS WITH THE SOCIALIST AND SOCIAL-DEMOCRATIC PARTIES, FOR CLOSER COLLA-BORATION AMONG ALL FORCES STANDING FOR PROGRESS AND SOCIALISM. CONTINUE TO BROADLY EXPAND COLLABORATION WITH THE NATIONAL LIBERATION MOVEMENTS AND WITH THE PROGRESSIVE PARTIES IN COUNTRIES THAT HAVE SHAKEN OFF IMPERIALIST DOMINATION AND HAVE CHOSEN THE PATH OF FREE, INDEPENDENT DEVELOPMENT. LIKEWISE. IT WILL FURTHER DEVELOP RELATIONS WITH DEMOCRATIC PARTIES AND POLITICAL FORCES. WITH CHRISTIAN-DEMOCRATIC, LIBERAL AND OTHER PARTIES AND ORGANIZATIONS. IN CONCLUSION NICOLAE CEAUSESCU STRESS-ED THAT THE ROMANIAN COMMUNIST PARTY, SOCIALIST ROMANIA WILL CONTINUE TO DO EVERYTHING IN THEIR POWER TO CONTRIBUTE TO THE TRIUMPH OF THE NOBLE IDEALS OF SOCIALISM AND COMMUNISM, TO THE VICTORY OF THE CAUSE OF FRIENDSHIP AND COLLABORATION AMONG PEOPLES, TO THE BUILDING OF A BETTER AND MORE JUST WORLD ON OUR PLANET.

END



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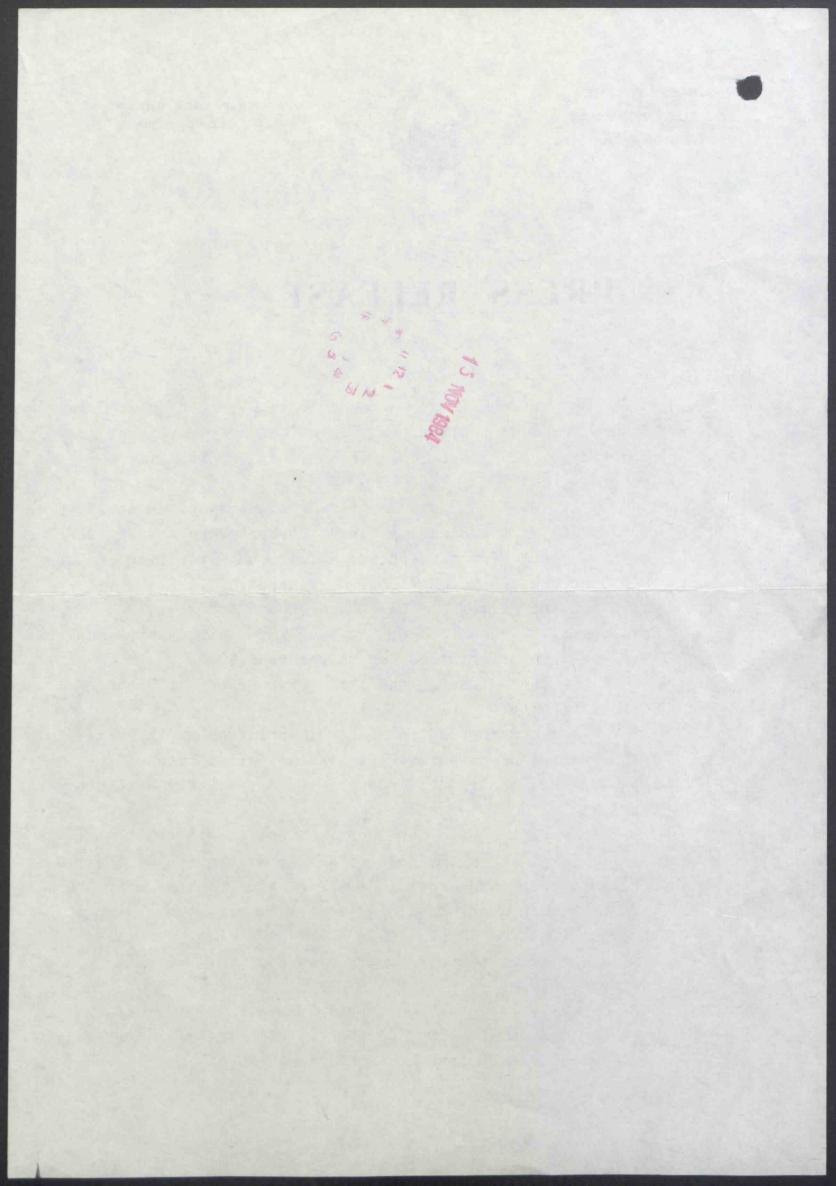
PRESS RELEASE

Between 19-23 November 1984, will take place the 13th Congress of the Romanian Communist Party, event of great importance in the political, economic and social life of Romania.

The 13th Party Congress will analyse the activity carried out by the Romanian Communist Party, by the entire Romanian people for the achievement of the Directives of the 12th Congress and the National Conference of 1982 and will establish the guidelines for the economic and social development of Romania over the 1986-1990 Quinquennium and the long-term orientations up to the year 2000.

The Agenda of the 13th Congress of the Romanian Communist Party:

- 1. Report of the Central Committee on the activity of the Romanian Communist Party in the period between the 12th Congress and the 13th Congress and the Party's future tasks.
 - 2. Report of the Central Committee of Revision.
- 3. The guidelines of the 13th Congress of the R.C.1 for the economic and social development of Romania over the 1986-1990 Quinquennium and the long-term orientations up to the year 2000.
- 4. Amendments to the Status of the Romanian Communist Farty.
- 4. The election of the General Secretary of the Romanian Communist Party, the Central Committee of the Party and the Central Committee of Revision.







Foreign and Commonwealth Office

London SW1A 2AH

8 June, 1984

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Romania: Invitation to 40th Anniversary Celebration of National Day

On 29 May the British and other Western Ambassadors in Bucharest were asked to transmit to their governments an invitation to send representatives "at the highest level" to celebrations in Bucharest from 20 to 24 August marking the 40th Anniversary of the Romanian National Day. The Romanian Ambassador has since called on instructions here to make it clear that the invitation included the Prime Minister.

A response is being coordinated in NATO and in the Ten. We have told our partners that in our view Ministerial attendance would be inappropriate and that we propose that HMG be represented by HM Ambassador Bucharest. This would be in line with normal practice at National Day celebrations. The Germans and Dutch have indicated that they too propose to be represented by their Ambassadors.

(R B Bone)

Private Secretary

A J Coles Esq 10 Downing Street

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10 DOWNING STREET

From the Private Secretary

28 April, 1983

The Prime Minister has now seen the Home Secretary's minute of 27 April about the case of Mr. Stancu Papasoiu. She agrees with the Home Secretary that Mr. Papasoiu's request for a visa should be refused and that if he should arrive at a UK port, he should be returned to the country of embarkation. I am sending a copy of this to John Holmes (Foreign and Commonwealth Office).

TIMOTHY FLESHER

A. R. Rawsthorne, Esq., Home Office

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Agree with X?

A. J. C. 28

PRIME MINISTER

STANCU PAPASOIU

tes me

You are aware of the storm of criticism - much of it based on misconceptions about the facts - that the Government has faced in Parliament and the press following the removal of Papasoiu on 16 March to Romania as an illegal entrant. Papasoiu has now applied to our Embassy in Vienna for a visa to return to this country for permanent residence on humanitarian grounds. This is supported by the British-Romanian Association and Sir Bernard Braine. I believe that the request for a visa should be refused and that, if Papasoiu should try to present us with a fait accompli by turning up at a UK port, he should be returned to the country of embarkation.

I attach at Annex A a note about the criteria applying to refugee status and
 our policy on returning people to Eastern Europe, and at Annex B a note which gives Papasoiu's history as it is known to us.

You know that we did not consider Papasoiu to be a refugee when he was last here. We now know that the Austrians came to a similar decision about him in 1980 and he then returned voluntarily to Romania. Austria, where Papasoiu now is, is the only country which has a legal obligation under the Refugee Convention to consider a claim for asylum. The Austrians are now considering an application from asylum from Papasoiu. Although they seem unlikely to grant it, it appears, as you will see from the attached telegram, that they will not require him to leave while they are considering it.

Papasoiu does not qualify for settlement here under the Immigration Rules and his request for a visa falls to be considered exceptionally outside the Rules. It is our policy that when an Eastern European applicant does not qualify to remain as a refugee or for asylum his circumstances are sympathetically considered with a view to allowing him to remain here exceptionally; and in fact only a small number of East Europeans have been returned in the last five years. We did not, however, consider that Papasoiu's circumstances as known prior to his departure justified allowing him to remain in the United Kingdom on this exceptional basis, and subsequent events have confirmed the correctness of that decision. Moreover, our willingness to consider exceptional treatment for those already here cannot, consistently with our generally strict immigration policy, extend to granting visa applications to all the Eastern Europeans who would like to come here from abroad.

Even if the stories that have been put about in the Romanian press about his criminal convictions (e.g. for gang rape) are discounted as political propaganda or for lack of supporting evidence, nothing that has emerged since Papasoiu's removal and subsequent reappearance in Austria has added either to his credibility or to his personal worth. The allegations made about his treatment in Ashford have been fully investigated and found to be untrue. His account of his various sentences for attempts to leave Romania has been disproved by the recent evidence which has emerged about his stay in a refugee camp in Austria in 1980-81.

To treat Papasoiu exceptionally now would give the impression that the Government did, after all, consider that the original decision to remove him was wrong, just at the time when public sympathy for him has declined along with his credibility. I think that to allow him to return to the United Kingdom would give rise to as much criticism as our action in removing him in the first place.

I therefore propose to refuse the application for a visa and write at the same time to Sir Bernard Braine to say that his representations on behalf of the British-Romanian Association have been taken carefully into account but that the Government is not prepared to give Papasoiu the exceptional treatment outside the Rules that would be involved in granting his request.

The story may not end there because Papasoiu may again leave Austria and arrive at a UK sea or airport unannounced and hope that representations will secure his entry. The normal course in such circumstances would be to refuse entry to a person without a visa and return him to the country from which he had embarked, subject to a delay of at least 24 hours if a Member of Parliament wished to make representations. Since I should already have replied to Sir Bernard Braine's latest representations as I refuse the visa, I think it would be right if Papasoiu arrived at a UK port thereafter, to seek to return him immediately to the country of his embarkation - whether this is Austria, France or Belgium - leaving any subsequent representations to be dealt with after his removal. Otherwise, given that a second removal to Romania is out of the question, we could find ourselves compelled to let him stay for lack of any other country that would accept him.

I am copying this minute to the Secretary of State for Foreign and Commonwealth Affairs.

April 1983

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GRS 130 RESTRICTED FM VIENNA 251435Z APR 83 TO IMMEDIATE FCO TELEGRAM NUMBER 54 OF 25 APRIL INFO ROUTINE BUCHAREST

MY TELNO 51 AND FREE-GORE/CARTER (EESD) TELECON 22 APRIL. PAPUSOIU

- 1. HIETSCH (MFA) CONFIRMED THIS AFTERNOON THAT PAPUSOIU HAD APPLIED AGAIN ON FRIDAY 22 APRIL FOR POLITICAL ASYLUM IN AUSTRIA AND HAD BEEN READMITTED TO TRAISKIRCHEN REFUGEE CAMP PENDING CONSIDERATION OF HIS APPLICATION.
- 2. HIETSCH SAID THERE WAS A LONG QUEUE OF APPLICATIONS FOR ASYLUM. CONTRARY TO THE IMPRESSION HIETSCH HAD GIVEN ON FRIDAY, IT SEEMS LIKELY TO BE SEVERAL WEEKS BEFORE PAPUSOIU'S APPLICATION IS CONSIDERED. WHILE HIS CASE IS UNDER REVIEW THE AUSTRIAN GOVERNMENT WILL NOT REQUIRE PAPUSOIU TO LEAVE AUSTRIA. THE MFA ARE PROCEEDING ON THE BASIS THAT IT WILL IN ANY CASE BE DIFFICULT TO PERSUADE THE RUMANIANS TO ACCEPT HIM BACK.

ALEXANDER

LIMITE D EESD MVO PUSD NEWS . D INFO.D WED

PSIME RIFKIND PS PUS SIR J BULLARD CSCE UNIT HE GOODISON

copies To: Mr Somen, Home Office LUNAR HOUSE SIR BRIAN CUBBON HOME PS MR WHITELAW

E.R.

Political Asylum

- 1. The United Kingdom is a signatory to the 1951 United Nations Convention Relating to the Status of Refugees which defines a refugee as a person, who owing to well founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion is outside the country of his nationality and is unable or, owing to such fear, is unwilling to avail himself of the protection of that country. The Immigration Rules provide that full account is to be taken of the Convention.
- 2. In considering requests for asylum and recognition as a refugee the Home Office examines an applicant's personal and family background for evidence of political, religious, social or economic persecution which he individually may have suffered or may suffer on return to his country of origin or normal residence taking into account the nature of the society in which the applicant normally lives. It is not sufficient for an applicant to adduce, as evidence of persecution, difficulties that may be suffered generally in his own country. What is sought is evidence of discrimination or persecution directed spedfically against the individual. Thus, the Home Office does not usually accept as grounds for granting asylum such matters as the desire for a freer and more economically rewarding way of life in this country; a wish to avoid the consequences of an infringement of a properly enacted law in the applicant's country of nationality; or an objection to performing military service.
- 3. A number of countries, including Eastern European ones, have laws which prohibit their nationals remaining abroad beyond the validity of their exit permits. The Home Office considers individual cases where such a law may apply with particular care but it does not accept that anyone from a country where such a law applies automatically qualifies to remain here once his exit permit has expired. Nor is it accepted that any person who comes to the United Kingdom from a totalitarian regime is automatically entitled to remain here as a refugee. This

E.R.

line of reasoning would arrive at a reductio ad absurdum, for it would give a claim to asylum in this country to the entire population of every country - and there are many - in which such laws existed. The United Nations High Commission for Refugees' Handbook on Procedures for Refugee Recognition lays down that considerations of punishment for illegal immigration, or overstaying abroad, are relevant only if a person qualifies on other grounds as a refugee.

4. The decision to remove Papasoiu does not represent any change in the UK's attitude to applications for refugee status and political asylum. The number of such applications received and granted last year was far and away the highest for any year so far. The applicants come from many different parts of the world - the Middle East, South-East Asia, Africa and, of course, Eastern Europe.

EXCEPTIONAL TREATMENT

- 5. It has been Home Office policy on Eastern Europeans for many years that where an applicant does not qualify to remain as a refugee or for asylum, his circumstances are sympathetically considered with a view to allowing him to remain here exceptionally. The vast majority of applicants have had some aspect or another which has justified allowing them to remain or, at the very least, refrain from taking the step of returning them to Eastern Europe. However, there has never been an outright bar on returning Eastern Europeans: 22 Poles and 1 Hungarian have been deported to their own countries in the last 5 years. 4 Hungarians, 3 Poles, 1 Czechoslovak and 1 Bulgarian have been removed to their countries as illegal entrants since 1978.
- 6. Neither the Home Office's general approach to applications for refugee status or political asylum, nor the particular facts about Mr. Papasoiu led Home Office Ministers to judge that Mr. Papasoiu's individual circumstances qualified him for either status or indeed for exceptional treatment outside the Rules.

 Moreover, neither the London Representative of the United Nations High Commissioner for Refugees nor the United Kingdom Immigrants Advisory Service, both of whom were aware of Mr. Papasoiu's case, claimed he was a refugee.



7. Finally refugee and asylum policy is applied in the same even-handed manner as general immigration policy. It would not be right to give one part of the world specially preferential treatment regarding asylum which is not, and which cannot within our immigration policy be afforded to other areas. There is considerable evidence that the asylum system is now being abused in certain other countries (Canada and W. Germany). There is need for care that the desire to help meritorious individuals from, say, Eastern Europe does not extend so far to the unmeritorious so as to bring the system itself into disrepute; or to use it in a way that is unfair to those seeking legal settlement here, but who are turned away because of the UK's firm immigration control.

26 April 1983

Immigration and Nationality Department Home Office



PAPASOIU, Stancu, born 1953

- 1. Papasoiu first came to notice on 19 April 1982 when he went to Limehouse Police Station in London and asked for asylum in the United Kingdom. He had no documents but an Italian interpreter established that he claimed to be Romanian and that he did not wish to return to that country. He was interviewed on 21 April by an immigration officer with the aid of a Romanian born and educated interpreter. He then said that he had always wanted to leave Romania because life was unacceptable under the Communist regime, he had to work ten hours a day to support his family and there were frequent food shortages. He added that he had made two previous attempts to leave Romania but had on both occasions been sent back by the Yugoslav authorities. On return to Romania, he had been prosecuted for illegally leaving the country and for the first offence, in 1969/70, he was sentenced to a five month prison term, suspended, and on the second, some eight-nine months later, to 12 months, of which he served only two. He told the interview officer that he had left Romania only days before his arrival at Dover on about 16 April secreted in the back of a lorry.
- 2. Also on 19 April 1982, another Romanian illegal entrant was detained by the Liverpool Police on shop-lifting charges. He was Ghitea Milea and his claim to asylum and stated method of entry to this country were so similar to those given by Papasoiu that it was believed that they must have travelled together. Both, however, denied this and at a confrontation in Ashford Remand Centre did not appear to know each other. Although the arrival of one illegal entrant from Romania was almost unprecedented, both Papasoiu and Milea maintained throughout that they were not acquainted before meeting in Ashford. Both were detained in Ashford Remand Centre as they were illegal entrants without documents or money.
- 3. Neither Papasoiu nor Milea met the criteria of the Refugee Convention (see Annex A) to be allowed to remain as refugees. The Foreign and Commonwealth Office had, however, confirmed that the penalty for leaving Romania without permission was imprisonment for between six months and three years. Representations had been received from Members of Parliament and the British Romanian Association in respect of Milea and the circumstances of both men were submitted to Home Office Ministers in July. There were discrepancies in the accounts given by both the Romanians and neither had any history of persecution for the reasons given in the Convention nor did they have any connections with this country. Home Office Ministers decided in July 1982 that neither was a refugee and that there were no grounds to allow them to remain on an exceptional basis.
- 4. Further representations were then received about Milea and in particular it was alleged that he had an outstanding application for asylum in France. As he had also told the Home Office that he had left Romania only days before his arrival in the United Kingdom, arrangements were made for Milea to be reinterviewed. At the same time in August the British Romanian Association were informed about Papasoiu and told that he would also be further interviewed. At his second interview in September, Milea now said that he had left Romania on 16 September 1980 and had been in Traiskirchen refugee camp in Austria

until March 1981. He claimed to have applied for asylum in seven different countries and to have crossed ten international borders with no documentation. He added that he had applied for asylum in France but had left that country in advance of a decision. Papasoiu on re-interview on 6 September did not change his account of his journey from Romania or his reasons for leaving but now claimed to have made five attempts to leave Romania and to have received a suspended sentence of five months imprisonment in 1969/70, a 12 month sentence some months later of which he served only two months before release on amnesty, a three years sentence in 1970, and a further three years in both 1973 and 1978. He claimed that he had served the last three sentences in full but could give no explanation for not mentioning these earlier. At no time did he say that in 1980 he had been in Austria and had then been refused political asylum although it has now been confirmed by UNHCR that he was in Traiskirchen refugee centre in Austria from 22 September 1980 to 18 March 1981 (eg dates given above from Milea's account of his travels). Papasoiu could not of course have admitted to being in Austria at that time because he had asserted that he was then in prison in Romania.

- 5. The London representative of the United Nations High Commissioner for Refugees was asked on 25 August if he could verify Milea's statement of an outstanding application in France and also if Papasoiu had come to the notice of the French authorities. In early November, the UNHCR confirmed that the French authorities would consider readmitting Milea to continue his application for asylum but that they had no trace of Papasoiu and would not therefore admit him.
- 6. Milea and Papasoiu had both been detained in Ashford up to this time. They were illegal entrants with no documents or money and, moreover, the accounts they had given contained so many discrepancies and contradictions that both totally lacked credibility. It was not considered that either would comply with the terms of temporary admission and so detention had been maintained. On 20 November, Papasoiu began to refuse food as a protest against his detention and the refusal of asylum. Some four days later he began to eat again, only to refuse food once more some days later. At about the same time, the Refugee Unit of the United Kingdom Immigrants Advisory Service offered to accommodate the two Romanians. This combination of factors and the time taken to reply to representations on their behalf and the further delay which applications to the French would entail, led to the temporary release of both Papasoiu and Milea on 4 December.
- 7. Replies were sent to Sir Bernard Braine and others on 8 December to the effect that there were no grounds to allow Papasoiu to remain here and that arrangements for his return to Romania would be resumed. However, Sir Bernard Braine forwarded further representations on 28 December.
- 8. On 18 December, Papasoiu's solicitors arranged for him to be examined by a consultant physician when it was alleged that he had been forcibly fed and assaulted while in Ashford. The doctor found no injuries consistent with any attempt at forcible feeding but found evidence of two healing bruises on the left arm. There were no injuries at all on Papasoiu's back although the complaint he made to the examining doctor was that ten prison officers in white coats had jumped on his back. The report was forwarded with other documents to the Immigration Department by the solicitors on 10 January who however made no complaint about any assault in Ashford.



- 9. While these representations were under consideration and before any approach was made to the French Consulate, Milea presented himself to an immigration officer at Dover on 20 January expressing the intention of going to France. He had no documents but an immigration officer has no authority to prevent anyone leaving the country and Milea therefore left for France. He was not returned by the French authorities and there has been no news of him since that date.
- 10. On 10 February, the Minister of State wrote to Sir Bernard Braine to say that arrangements for Papasoiu's removal as an illegal entrant would again be resumed. The Immigration Service requested Papasoiu to attend their office on two occasions with an interpreter but on each occasion he appeared alone. On 14 March it was arranged that the same official interpreter who had attended the two earlier interviews would be present and Papasoiu was then informed that arrangements had been made for his return to Romania on 19 March. His reaction to this was such that the immigration officer could not be satisfied that he would leave voluntarily and it was decided to detain Papasoiu in Ashford. Home Office Ministers confirmed the decision that he should be removed and the removal was then rearranged for the first available flight on 16 March.
- 11. Papasoiu was transferred from Ashford to the Immigration Office at Harmondsworth on 16 March. He was handcuffed during this journey when he was escorted by prison officers. He was then escorted, without physical restraint, by Securicor to Heathrow and to the aircraft. He mounted the aircraft steps alone.

Allegations since Papasoiu's removal

- 12. Much of the reaction to Papasoiu's removal has been caused by press reports that he was frogmarched screaming onto the aircraft. There is no substance to these allegations.
- 13. Subsequent to removal, allegations have also been made that he was force-fed in Ashford and his earlier allegations that he had been assaulted by ten officers in white coats was repeated. These allegations have been investigated but have been shown to be groundless.
- 14. Questions were also raised as to whether Papasoiu was in fact a Romanian. He had no documents but he claimed to have been born in Romania, he spoke Romanian and the Romanian interpreter and the British Romanian Association accepted that he was Romanian born. The Romanian Consulate in London when approached by the immigration officer with a request that a document be issued to Papasoiu declined to issue a passport but did not deny that Papasoiu was a Romanian citizen. The Austrians have told us that Papasoiu now has a valid Romanian passport.
- 15. Reports in the press in the United Kingdom that Papasoiu has been convicted of gang rape in Romania appear to have originated from the statement of 30 March by Agerpress, the official Romanian news agency, that Papasoiu had been sentenced to three years and two months for gang rape in 1977 but had been released after two months by amnesty. This statement also mentioned two previous attempts to leave Romania. The Home Office is unable to confirm or deny the existence of this conviction

16. It has been reported in the Press that Papasoiu wishes to marry a Miss Rees in order to obtain settlement in this country but his claim to be in a position to marry must be open to doubt. On 28 March a reporter for the Daily Mail in Romania said that he had contacted a member of the family and Papasoiu has a wife and son of six. There have also been press reports of a conviction for theft in France, but no confirmation of this has been received. Latest developments 17. On 15 April, Miss Rees who had taught Papasoiu English in the United Kingdom after his temporary release, received a letter from him from Austria stating that he had been given a Romanian passport on 6 April and put on the train to Austria. On 15 April, Papaspoiu applied for asylum in Austria but on 18 April he withdrew this applicaton. He was then given leave to remain in Austria until 5 May 1983 - the date of expiry of his passport. 18. On 21 April, Mr. Papasoiu applied for a visa to come to the United Kingdom for permanent residence on 'humanitarian' grounds. He said that Miss Rees and the British Romanian Association would look after him until he found a job as a car mechanic. The British Romanian Association has written to Sir Bernard Braine asking him to make representations on Papasoiu's behalf but has not stated their willingness to take responsibility for him. 19. The Austrians have confirmed that Papasoiu had applied for asylum in Austria in October 1980, and that, when this was refused as he did not meet the criteria of the Refugee Convention, he had voluntarily returned to Romania in March 1981. He has now applied for the third time for asylum in Austria and is due to be interviewed about this on 26 April. It is not known when the Austrians will reach a decision on this latest application. 26 April 1983 Immigration and Nationality Department Home Office



10 DOWNING STREET

18 April, 1983

THE PRIME MINISTER

Thank you for your letter of 18 March which raised the question of the removal to Rumania of Stancu Papasoiu and, more generally, our policy towards Polish and other East European asylum seekers.

Our policy relating to the grant of asylum is in accordance with the principles of Article 1 of the 1951 United Nations Convention Relating to the Status of Refugees and its 1967 Protocol and is reflected in the Immigration Rules. These state that "a person may apply for asylum in the United Kingdom on the grounds that, if he were required to leave, he would have to go to a country to which he is unwilling to go owing to a well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion". Accordingly where an applicant establishes that he has a well-founded fear of persecution for one of these reasons if he were to return to the country of his nationality, then he will generally qualify for the grant of asylum and recognition as a refugee. There is a distinction between refugee status and asylum. In simple terms it might be said that

/recognition



recognition as a refugee under the 1951 United Nation Convention binds us internationally and the grant of asylum is an historical, domestic practice which has no legal extra-territorial effect. Under the Convention we are bound not to send a person back to the frontiers of a State where that person has a well-founded fear of persecution; we also incur other obligations such as the issue on demand of a travel document prescribed by the Convention. Our asylum tradition, which precedes the Convention by many years has the same implication of non-refoulement but does not include an entitlement to documentation. In both cases, however, the person concerned will be given leave to enter or remain for 12 months in the first instance without employment restrictions.

As you will appreciate, cases do arise where doubts as to whether an applicant's fear is well-founded are impossible to resolve and, in such circumstances, it is our usual practice to give the benefit of the doubt to the person concerned and grant asylum but to withhold recognition as a refugee. The only practical effect that this has relates to the kind of travel documentation to which the person is then entitled.

In considering requests for asylum and recognition as a refugee we examine an applicant's personal and family background for evidence of political, religious, social or economic persecution which he may have suffered taking into account the nature of the society in which the applicant normally lives. It is not sufficient for an applicant to adduce as evidence of persecution difficulties that may be suffered generally in his own country and what we look for is evidence of discrimination/persecution directed specifically against the individual. Neither do we usually accept as grounds for granting asylum such matters as an objection to performing military service;

the desire for a freer and more economically rewarding way of life in this country; or a wish to avoid the consequences of an infringement of a law of general applicability in the applicant's country of nationality. As you know Eastern European countries, among others, have laws which prohibit their nationals remaining abroad beyond the validity of their exit permits. Such laws are in the Government's view deplorable but they do not in themselves constitute persecution.

Since you wrote to me you have discussed the case of Mr. Papasoiu with David Waddington on 23 March and initiated the debate in the House of Lords on 29 March. Bernard Braine also, of course, raised the matter in an Adjournment Debate on 31 March. In the circumstances I will not repeat the facts of this particular case but confine myself to some general points.

Of course I share your distaste for the policies and activities of Ceausescu's Rumania but, if we are to maintain a consistent immigration policy, we cannot accept that anyone who comes here from Eastern Europe has the right of asylum or residence here just because if he returned to his own country he might suffer penalities for illegal departure or overstaying an exit permit. Our consideration of individual applications for asylum follows the criteria laid down in the 1951 Convention, which I have already detailed, giving, where necessary the benefit of the doubt to the applicant. Mr. Papasoiu gave different and conflicting accounts of his life in Rumania and there was every reason to doubt his credibility and disbelieve the story which he told very late in the day about having served years in prison for having tried to leave Rumania without the permission of the authorities. Having studied the facts myself, I am satisfied that the correct decision was reached and that it would have been wholly inappropriate to exercise discretion

in his favour. Subsequent reports about Mr. Papasoiu only serve to reinforce the doubts felt about the veracity of his claims.

Let me now turn to our policy towards Poles. Since the imposition of martial law in Poland on 13 December 1981 we have not been requiring the departure from the United Kingdom of any Polish national who is unwilling to leave and who would have no country to go to other than Poland. Those Polish citizens who were legally in the United Kingdom at the time martial law was declared had their permitted stay extended on application by two months in the first instance, and subsequently by a further two months and if they had no relatives or friends in this country or other means of support then they were usually given authority to take employment.

By the beginning of April 1982 the situation in Poland had not improved and consequently those Poles who remained unwilling to return home were given successive further extensions of stay until April/May 1983. We also allowed those Polish citizens who were here illegally or who were already the subject of Deportation Orders to remain in this country.

On 9 March Willie Whitelaw announced that he had now decided that those Polish citizens who have been enjoying exceptional treatment outside the Immigration Rules would be granted a further extension of stay of twelve months with no restriction on employment. In future, however, we intend to draw a distinction between those Polish citizens who have remained in this country since the declaration of martial law and those who are now seeking visas for temporary visits to the United Kingdom. While we have agreed to continue general exceptional treatment for the former (who found themselves outside Poland at the critical time as it were for reasons beyond their own control) it would not be

appropriate to extend the same arrangements to all new Polish visitors as the Polish authorities relax their restrictions on foreign visits and the number of Polish citizens coming to this country on short visits increases. We will, of course, continue to consider sympathetically applications from any who claim they are afraid to return on an individual basis. Willie Whitelaw has also announced the Government's willingness to consider applications from ex-detainees who have decided of their own free will to seek resettlement outside Poland and for whom the United Kingdom is, by ties of family, education or language, the most appropriate country of resettlement and who are personally acceptable. You may like to know that some two hundred such applications are under consideration.

As you know, there has been a general appeal by the Austrian Government to friendly States to share the burden of the large influx of Polish nationals to that country. The United Kingdom Government responded to this appeal by informing the Austrians that we will consider applications from Poles in Austria, who have been formally recognised as refugees under the 1951 United Nations Convention Relating to the Status of Refugees, for resettlement in the United Kingdom where this country is the most appropriate country of resettlement by virtue of family or other ties, where proper sponsorship in respect of both accommodation and maintenance is forthcoming and the applicant is personally acceptable. For your information, of the seventeen applications received, seven have been approved, five refused and five remain under consideration. While we considered our response most carefully we did not feel it possible in present circumstances to accept a fixed quota of refugees.

I must make it clear, however, that experience to date indicates that many are <u>not</u> refugees within the criteria set out in the 1951 Convention and the Immigration Rules. Applications are considered very carefully but while one has sympathy for those faced with the prospect of living under the social, economic and political difficulties currently prevailing in Poland, this does not mean that any Pole who prefers to live in the West should automatically be regarded as a refugee. It is because many of the Polish citizens now in this country do not qualify as refugees and because we do not think it right to require their return under present circumstances that we have been prepared to allow them to remain in this country exceptionally and outside the Immigration Rules.

From the foregoing, you will see that those Poles who are granted asylum with or without refugee status are protected from return to Poland but no such long term guarantee has been given to those who have been granted leave to remain on an exceptional basis. It is obviously a matter for political decision whether circumstances within Poland reach a position where we can generally expect these to travel home, but it is implicit in Willie Whitelaw's recent announcement that we do not regard the latest moves in Poland, including the suspension of martial law and the release of detainees, as evidencing a sufficient improvement of the internal situation.

In dealing with Polish citizens in this country we must also have due regard to the problems faced by the increasing number of people from other countries also experiencing serious internal problems and to the need to achieve fairness and

equality of treatment for the individuals concerned consistent with our policy of firm immigration control. There are very much larger numbers of Iranian asylum seekers in this country and most who do not qualify for asylum are also being allowed to remain exceptionally outside the Immigration Rules. Similar considerations also apply to other nationalities: for example Afghans, Ugandans, Lebanese and some Central Americans who do not wish to return home in view of the present internal situations in their countries.

I am sorry that this has been a long reply but I hope that it will reassure you that the Government is anxious to do what it can to help those Poles who have sought to remain in this country since the imposition of martial law or who have been detained by the military authorities in Poland. I can assure you that as a Government we are committed to offering refuge to all those who qualify for political asylum (whether or not we are in sympathy with their political aspirations) but for all nationalities there are pressure groups who would like to see the people concerned treated exceptionally even if they do not qualify as refugees. This pressure must be resisted if we are to maintain the strict immigration control to which the Government is committed. If we were to agree to give an open ended offer of asylum of any East European it would be very difficult to resist other pressures from countries like Iran.

Coms even

The Lord Bethell



1) Mr Chas A-J. C. 4. 2) Pur Musito Home Office queen anne's gate London swih 9at

15 April 1983

Dear John,

Dr 1574 and

Thank you for your letter of 28 March regarding Mr Papasoiu's claim to Romanian citizenship. I am sorry that, due to an oversight, it has taken so long to reply.

Mr Papasoiu had no documents but he said he was born in Romania, the interpreter believed him to be Romanian and the British/Romanian Association did not query his nationality. Moreover, when the Romanian Consulate was approached by the immigration officer, they did not say he was not Romanian but merely refused to issue a travel document to facilitate his return to Romania.

There was, therefore, every reason to believe that Mr Papasoiu was a Romanian citizen by birth and no indication that any such citizenship had been revoked. As Ministers had decided that Mr Papasoiu should be removed as an illegal entrant, the Immigration Department issued a Certificate of Identity with the endorsement that he claimed to be a Romanian citizen. In the event, as we now know, the Romanian airline accepted him as a passenger without protest and he was allowed re-entry to Romania.

I am copying this letter to Roger Bone (FCO).

Yours & Eucerely, They Raws thorne

A. R. RAWSTHORNE

Rundinia: NOV 79: Relations



Home Office queen anne's gate london swih 9AT

1 4 APR 1983

Dear Tun,

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I enclose a draft of a reply which the Prime Minister may wish to send to Lord Bethell's letter of 18th March. I am sorry this has been delayed but we thought it better to await the outcome of the unstarred question put down by Lord Bethell and also the adjournment debate in the Commons.

As you may know, Willie Rickett forwarded a letter on the case from the Lambeth Adult Education Institute and a draft reply has also now been sent to him.

your screen,

Lealey Pallete.

MRS. L. PALLETT

FILE	NUMBER	***************************************
	- 11011110-11	****************************

DRAFT LETTER

ADDRESSEE'S REFERENCE

The Lord Bethell
'73 Sussex Square
LONDON
W2 2SS

(FULL POSTAL ADDRESS)

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LETTER DRAFTED FOR SIGNATURE BY Prime Minister

(NAME OF SIGNATORY)

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asylum is an historical, domestic practice which has no legal extra-territorial effect. Under the Convention we are bound not to send a person back to the frontiers of a State where that person has a well-founded fear of persecution; we also incur other obligations such as the issue on demand of a travel document prescribed by the Convention. Our asylum tradition, which precedes the Convention by many years has the same implication of non-refoulement but does not include an entitlement to documentation. In both cases, however, the person concerned will be given leave to enter or remain for 12 months in the first instance without employment restrictions.

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By the beginning of April 1982 the situation in Poland had not improved and consequently those Poles who remained unwilling to return home were given successive further extensions of stay until April/May 1983. We also allowed those Polish citizens who were here illegally or who were already the subject of Deportation Orders to remain in this country.

On 9th March Willie Whitelaw announced that he had now decided that those Polish citizens who have been enjoying exceptional treatment outside the Immigration Rules would be granted a further extension of stay of 12 months with no restriction on employment. In future, however, we intend to draw a distinction between those Polish citizens who have remained in this country since the declaration of martial law and those who are now seeking visas for temporary visits to the United Kingdom. While we have agreed to continue general exceptional treatment for the former (who found themselves outside Poland at the critical time as it were for reasons beyond thei: own control) it would not be appropriate to extend the same arrangements to all new Polish visitors as the Polish authorities relax their restrictions on foreign visits and the number of Polish citizens coming to this country on short visits increases. We will, of course, continue to consider sympathetically applications from any, who claim they are afraid to return, on an individual basis. Willie Whitelaw has also announced the Government's willingness to consider applications from ex-detainees who have decided of their own free will to seek resettlement outside Poland and for whom the United Kingdom is, by ties of family, education or language, the most appropriate country of resettlement and who are personally acceptable. You may like to know that some 200 such applications are under consideration.

As you know, there has been a general appeal by the Austrian Government to friendly States to share the burden of the large influx of Polish nationals to that country. The United Kingdom Government responded to this appeal by informing the Austrians that we will consider applications from Poles in Austria, who have been formally recognised as refugees under the 1951 United Nations Convention

Relating to the Status of Refugees, for resettlement in the United Kingdom where this country is the most appropriate country of resettlement by virtue of family or other ties, where proper sponsorship in respect of both accommodation and maintenance is forthcoming and the applicant is personally acceptable. For your information, of the 17 applications received, seven have been approved, five refused and five remain under consideration. While we considered our response most carefully we did not feel it possible in present circumstances to accept a fixed quarter of refugees.

During 1982 4167 applications for asylum were received from nationals of 69 countries, 513 of which were from Polish citizens. (These figures include applications made to our Posts abroad).

I must make it clear, however, that experience to date indicates that many are <u>not</u> refugees within the criteria set out in the 1951 Convention and the Immigration Rules. Applications are considered very carefully but while one has sympathy for those faced with the prospect of living under the social, economic and political difficulties currently prevailing in Poland, this does not mean that any Pole who prefers to live in the west should automatically be regarded as a refugee. It is because many of the Polish citizens now in this country do not qualify as refugees and because we do not think it right to require their return under present circumstances that we have been prepared to allow them to remain in this country exceptionally and outside the Immigration Rules.

From the foregoing, you will see that those Poles who are granted asylum with or without refugee status are protected from return to Poland but no such long term guarantee has been given to those who have been granted leave to remain on an exceptional basis. It is obviously a matter for political decision whether circumstances within Poland reach a position where we can generally expect these to travel home, but it is implicit in Willie Whitelaw's recent

announcement that we do not regard the latest moves in Poland, including the suspension of martial law and the release of detainers, as evidencing a sufficient improvement of the internal situation.

In dealing with Polish citizens in this country we must also have due regard to the problems faced by the increasing number of people from other countries also experiencing serious internal problems and to the need to achieve fairness and equality of treatment for the individuals concerned consistent with our policy of firm immigration control. There are very much larger numbers of Iranian asylum seekers in this country and most who do not qualify for asylum are also being allowed to remain exceptionally outside the Immigration Rules. Similar considerations also apply to other nationalities: for example Afghans, Ugandans, Lebanese and some Central Americans who do not wish to return home in view of the present internal situations in their countries.

I am sorry that this has been a long reply but I hope that it will reassure you that the Government is anxious to do what it can to help those Poles who have sought to remain in this country since the imposition of martial law or who have been detained by the military authorities in Poland. I can assure you that as a Government we are committed to offering refuge to all those who qualify for political asylum (whether or not we are in sympathy with their political aspirations) but for all nationalities there are pressure groups who would like to see the people concerned treated exceptionally even if they do not qualify as refugees. pressure must be firmly resisted if we are to maintain the strict immigration control to which the Government is committed. were to agree to give an open ended offer of asylum to any East European it would be very difficult to resist these other pressures, particularly since the internal situation in a country like Iran could be said to be a good deal worse than that in Poland or other East European countries.

Romania: Anglo/Romanian relation





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FM FCO 311130Z MAR 83

TO IMMEDIATE BUCHAREST

TELEGRAM NUMBER 080 OF 31 MARCH

YOUR TELNO 73: STANCU PAPUSOIU

1. YOU SHOULD SEEK AN EARLY

APPOINTMENT TO SPEAK TO THE ROMANIAN AUTHORITIES AT AN APPROPRIATELY HIGH LEVEL TO EXPRESS HMG'S DISPLEASURE AT THE ARTICLE REFERRED TO IN TUR. ALLEGATIONS THAT PAPUSOIU WAS AT ANY TIME SUBJECTED TO BRUTAL TREATMENT AT THE HANDS OF THE UK AUTHORITIES ARE OF COURSE TOTALLY UNTRUE. ALLEGATIONS OF ASSAULT HAVE BEEN REJECTED PUBLICLY BY THE HOME OFFICE PARLIAMENTARY UNDER-SECRATARY

OF STATE, LORD ELTON. A MEDICAL REPORT CARRIED OUT AFTER PAPUSOIU HAD BEEN RELEASED ON BAIL ON 4 DECEMBER REVEALED NO SIGNS OF ILL-TREATMENT. PAPUSOIU WAS THEN AT LIBERTY UNTIL 14 MARCH. LORD ELTON CONFIRMED THAT PAPUSOIU VOLUNTARILY STOPPED EATING FOR A TRIVIAL PERIOD OF TIME BEFORE HIS RELEASE IN DECEMBER BUT DENIED ALLEGATIONS THAT HE WAS AT ANY TIME FORCIBLY FED.

- 2. YOU SHOULD REMIND THE ROMANIANS THAT YOU POINTED OUT TO BADESCU THAT PAPUSOIU HAD BEEN REMOVED FROM THE UK BECAUSE HE WAS AN ILLEGAL IMMIGRANT AND THAT HMG HAD NO INTENTION OF MAKING POLITICAL CAPITAL OUT OF THE CASE. ALLEGATIONS SUCH AS THOSE IN THE ROMANIA LIBERA ARTICLE DO NOT SERVE THE INTERESTS OF UK-ROMANIAN RELATIONS AND CAN ONLY FURTHER DAMAGE ROMANIA'S IMAGE IN . THE WEST.
- 3. FOR YOUR OWN INFORMATION WE PROPOSE TO AVOID ALL BUT ESSENTIAL CONTACTS WITH THE ROMANIAN EMBASSY FOR THE IMMEDIATE FUTURE.

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PS/MR RIFKIND

PS/PUS

SIR J BULLARD

MR GOODISON

A J COLES ESQ, NO 10 MR SODEN, HOME OFFICE, LUNAR HOUSE

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TO IMMEDIATE FCO

TO IMMEDIATE FCO
TELEGRAM NUMBER 073 OF 30 MAR

had in fee

STANCU PAPUSOIU

- 1. ROMAINA LIBERA OF 30 MARCH CARRIES A LONG ARTICLE ON THE PAPUSOIU CASE UNDER THE HEADING "THE FACTS REMAIN FACTS". IT IS SIGNED BY NEAGU UDROIU (WHO ATTENDED THE 1979 ROUND TABLE).

 2. THE ARTICLE SETS OUT TO PUT THE RECORD STRAIGHT,
- 2. THE ARTICLE SETS OUT TO PUT THE RECORD STRAIGHT,
 FOLLOWING WESTERN MEDIA COVERAGE OF THE CASE. IT TAKES THE FORM
 OF AN INTERVIEW WITH PAPUSOIU, IN HOSPITAL IN CRAIDVA RECOVERING
 FROM HARSH TREATMENT. THE MAIN DETAILS OF PAPUSOIU'S STORY ARE
 SET OUT IN PARAGRAPHS 3-6 BELOW.
- 3. PAPUSOIU IS AN UNQUALIFIED 29 YEAR-OLD ROMANIAN CITIZEN FROM A PEASANT FAMILY NEAR CRAIOVA. AFTER MILITARY SERVICE AND VARIOUS UNSKILLED JOBS, IN 1971 HE RECEIVED TWO SUCCESSIVE PRISON SENT-ENCES OF 5 AND 11 MONTHS RESPECTIVELY FOR ATTEMPTING TO CROSS THE FRONTIER ILLEGALLY. (NO MENTION OF YUGOSLAVIA). IN 1977 HE RECEIVED A PRISON SENTENCE OF 4 YEARS 11 MONTHS FOR RAPE BUT WAS RELEASED AFTER 1 AND A HALF YEARS IN A GENERAL AMNESTY.
- 4. IN AUGUST 1980 HE LEFT ROMANIA ILLEGALLY AND ARRIVED IN AUSTRIA. AFTER TWO MONTHS HE WAS SENT TO TRAISKIRCHEN REFUGEE CAMP WHERE HE STAYED UNTIL THE END OF DECEMBER. HE THEN WENT TO UDINE IN ITALY WHERE HE WAS AGAIN IMPRISONED, THEN MOVED TO LATINA CAMP. PENNILESS HE RESORTED TO THEFT IN ROME. HE THEN MOVED ON TO THE FRG. HERE HE RECEIVED PARTICULARLY BRUTAL TREATMENT FROM THE POLICE, SPENDING DAYS AND NIGHTS IN HANDCUFFS, BEING FORCED TO SLEEP STANDING UP, BEING BEATEN AND ACCUSED OF BEING A SPY. HE WAS SUBSEQUENTLY RELEASED, AND WENT ON TO FRANCE AND THENCE TO ENGLAND. ALL OF THIS WAS ACCOMPLISHED WITHOUT DOCUMENTATION OR TICKETS.
- TO BE HELPED TO RETURN TO ROMANIA. HE WAS INTERVIEWED BY HOME OFFICE OFFICIALS AND PUT IN A PRISON NEAR LONDON AIRPORT. AFTER THREE MONTHS PAPUSOIU WROTE A LETTER TO THE HOME OFFICE ASKING TO BE RELEASED AND PUT IN CONTACT WITH THE ROMANIAN EMBASSY OR SENT TO ANOTHER COUNTRY. AFTER TWO WEEKS HE WROTE AGAIN. HE WAS THEN VISITED BY 8 MEN IN WHITE COATS WHO TOOK HIM TO ANOTHER BUILDING, STRIPPED HIM, THREW HIM ONTO A CEMENT FLOOR AND BEAT HIM WITH STICKS. HE WAS ACCUSED OF BEING A TERRORIST. THIS WENT ON FOR FOUR DAYS, DURING WHICH TIME HE WAS NOT EVEN GIVEN WATER. PERIODIC BEATINGS CONTINUED UNTIL DECEMBER 1982 WHEN HE WENT ON HUNGER STRIKE. AFTER 18 DAYS HE WAS MOVED BACK TO HIS OLD CELL. HIS BED WAS A MAT OF ONE SQUARE METRE, ON CONCRETE. BEATINGS CONTINUED.

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THEN ONE DRY, WITHOUT WARNING, HE WAS TAKEN TO THE AIRPORT IN HANDCUFFS BY 3 POLICEMENT. AFTER ONE NIGHT AT THE AIRPORT WITH NOTHING TO EAT, HE WAS PUT ON THE TAROM FLIGHT TO BUCHAREST.

6. ON HIS ARRIVAL AT OTOPEN! THE AUTHORITIES DECIDED TO ADMIT HIM AND SENT HIM TO THE HOSPITAL IN CRAIOVA, WHICH WAS NEAR TO HIS PARENTS! HOME. THERE HE WAS RECOVERING HIS HEALTH AND WAITING PATIENTLY FOR THE AUTHORITIES TO DECIDE HIS FATE. HE ACKNOWLEDGED THAT HE HAD BROKEN ROMANIAN LAW.

COMMENT

7. THIS PRESS TREATMENT IS REMINISCENT OF THAT GIVEN TO GHEORGHE VISCREANU, THE ROMANIAN FOOTBALLER WHO RETURNED TO ROMANIA IN NOVEMBER 1981 AFTER HAVING CHANGED HIS MIND ABOUT SEEKING ASYLUM IN AUSTRALIA AND THE UK. THE ROMANIANS ARE SEEKING TO TURN THIS CASE TO THEIR ADVANTAGE BY USING IT TO PAINT A GRUESOME PICTURE OF THE WEST AS A DESTINATION FOR WOULD-BE EMIGRANTS. ORCHESTRATION WILL DOUBTLESS FOLLOW SEMI COLON THE ARTICLE ENDS BY INVITING READERS' COMMENTS. WE UNDERSTAND THAT AGERPRES ISSUED AN ENGLISH TEXT TO JOURNALISTS ON THE EVENING OF 29 MARCH, BUT THIS IS NOT YET AVAILABLE TO US.

8. A FULL TRANSLATION OF THE ARTICLE FOLLOWS BY BAG.

HOLMER

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FILE 80

10 DOWNING STREET

From the Private Secretary

28 March, 1983

Papasoiu

The Prime Minister has seen Roger Bone's letter of 25 March and the enclosed telegram from Bucharest. Mrs. Thatcher has asked for further information on the statement by the Romanian authorities that Papasoiu had no valid proof of his claim to be a Romanian citizen. I should be grateful for your comments.

I am copying this letter to Roger Bone (Foreign and Commonwealth Office).

A.J. COLES

A. R. Rawsthorne, Esq., Home Office

CONFIDENTIAL

Me



Foreign and Commonwealth Office

London SW1A 2AH

Jea Jahren Jahre

25 March 1983

Prime Minister

To wate.

A. J. C. 25

Papasoiu

You may wish to see the enclosed copy of Bucharest telno 71 in which Mr Holmer records his discussion with the Romanians about Papasoiu.

The claim by Badescu that the Romanian Embassy had raised doubts about Papasoiu's status with the FCO some days before his return is untrue. The Romanian Ambassador himself complained mildly to Mr Rifkind, during a call on other business on 22 March, that the Romanian Embassy had not been consulted about the case despite the fact that they were 'always ready to co-operate with the British authorities'. That apart, the Embassy here have made no reference to the case.

A copy of this letter goes to Tony Rawsthorne in the Home Office.

ylege dan

(R B Bone) Private Secretary

A J Coles Esq 10 Downing Street OO FCO DESKBY 2416002

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DESKBY 241600Z

FM BUCHAREST 241450Z MAR 83 TO IMMEDIATE FCO TELEGRAM NUMBER 071 OF 24 MAR

YOUR TELEGRAMS NOS 72,73 AND 74. PAPASOIU.

- 1. I SPOKE ACCORDINGLY TO BADESCU, HEAD OF THE CONSULAR DIRECTORATE IN THE MFA, AT 241315Z MARCH.
- 2. IN REPLY BADESCU SAID THAT THE ROMANIAN AUTHORITIES HAD BEEN DISTURBED BY THIS CASE AND HAD INSTRUCTED THEIR AMBASSADOR IN LONDON TO MAKE AN OFFICIAL DEMARCHE ABOUT IT (PRESUMABLY THE APPROACH REFERRED TO IN PARAGRAPH 2 OF YOUR TELNO 72). THE ROMANIAN AUTHORITIES TOOK EXCEPTION TO THE FACT THAT A PERSON HAD BEEN PUT ON TO THE TAROM AIRCRAFT BY FORCE AND AT THE LAST MOMENT. THEY WERE ALSO CONCERNED BY THE FACT THAT PAPASOIU HAD NONE OF THE DOCUMENTATION REQUIRED BY ROMANIAN LAW TO PROVE THAT HE WAS A ROMANIAN CITIZEN SEMI COLON NAMELY, NO VALID PASSPORT, OR DOCUMENT FROM THE ROMANIAN EMBASSY CERTIFYING HIM AS SUCH. BADESCU ADDED THAT THE ROMANIAN EMBASSY HAD POINTED OUT TO THE FCO SOME DAYS BEFORE PAPASOIU'S DEPORTATION THAT HE HAD NO VALID PROOF OF HIS CLAIM TO BE A ROMANIAN CITIZEN. BADESCU SAID THAT IT WAS TOO LATE TO DO ANYTHING ABOUT THE PRESENT CASE BUT IF ANY SIMILAR CASES AROSE IN THE FUTURE THE ROMANIANS WOULD FORCIBLY RETURN THE PERSON TO THE UNITED KINGDOM. SO FAR AS BADESCU KNEW, THE QUESTION OF PAPASOTU'S NATIONALITY WAS STILL BEING CLARIFIED.
 - 3. I PRESSED BADESCU TO CONFIRM THAT PAPASOIU WOULD BE DEALT WITH ONLY FOR BREACH OF ANY ROMANIAN LAWS AND NOT ON A POLITICAL BASIS. BADESCU INSISTED THAT HE HAD NO DETAILS CONCERNING THIS CASE AND SO COULD NOT GIVE A PRECISE REPLY. SO FAR AS HE KNEW, THE MAIN CHARGE AGAINST PAPASOIU WOULD BE FOR ILLEGALLY CROSSING THE FRONTIER SEMI COLON HE DID NOT AS YET KNOW OF ANYTHING ELSE AND HE DID NOT PERSONALLY SEE THAT THE CASE COULD HAVE ANY POLITICAL DIMENSION.

HOLMER



ZZ BUCHAREST

GRS 91

CONFIDENTIAL

FM FCO 241000Z MAR 83

TO FLASH BUCHAREST

TELEGRAM NUMBER 74 OF 24 MARCH

MY TELNO 72 : PAPASOIU



- 1. YOU SHOULD NOW (NOW) TAKE ACTION AND REPORT BY IMMEDIATE TELEGRAM.
- 2. YOU SHOULD TAKE ACCOUNT OF THE FOLLOWING ADDITIONAL GLOSS ON THE INSTRUCTIONS IN TUR. YOU SHOULD SAY THAT PAPASOIU'S CASE HAS BEEN DEALT WITH AS AN IMMIGRATION ISSUE AND NOT A POLITICAL QUESTION FROM WHICH POLITICAL CAPITAL MIGHT HAVE BEEN DERIVED. WE WOULD VERY MUCH HOPE, FOR THE SAKE OF UK/ROMANIAN RELATIONS, THAT THE ROMANIAN AUTHORITIES WILL ADOPT THE SAME APPROACH.

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THE SECRETARY OF STATE
FOR FOREIGN AND COMMONWEALTH
AFFAIRS

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TO IMMEDIATE BUCHAREST
TELEGRAM NO 72 OF 23 MAR.
MY TELNO 42: PAPASOIU



- 1. MINISTERS HAVE EXPRESSED CONCERN THAT ON HIS RETURN TO ROMANIA, PAPASOIU MAY BE SUBJECTED TO TREATMENT HARSHER THAN THAT INDICATED IN YOUR TELNO 73, 1982. THEY FEAR THAT THE ROMANIAN AUTHORITIES MAY JUDGE HIS CASE ON POLITICAL RATHER THAN ON LEGAL GROUNDS.
- 2. YOU SHOULD KNOW THAT THE ROMANIAN AMBASSADOR, DURING A CALL ON ANOTHER MATTER, RAISED THE SUBJECT OF PAPASOIU'S ENFORCED RETURN WITH MR RIFKIND ON 22 MARCH. HE WAS UNABLE TO GIVE MR RIFKIND ANY INFORMATION ABOUT THE ATTITUDE THE AUTHORITIES IN ROMANIA WERE ADOPTING TOWARDS PAPASOIU. GLIGA REMARKED, HOWEVER, THAT THERE APPEARED TO BE NO GROUNDS FOR THE HOME OFFICE'S ASSUMPTION THAT PAPASOIU WAS INDEED A ROMANIAN CITIZEN.
- 3. PLEASE SPEAK URGENTLY TO THE ROMANIAN AUTHORITIES AND ASK FOR CLARIFICATION PROVIDED THAT IN YOUR JUDGEMENT AN APPROACH ON THE LINES SET OUT BELOW WOULD NOT BE LIKELY TO MAKE PAPASOIU'S POSITION WORSE THAN IT ALREADY IS. THE PRIME MINISTER WILL WISH TO BE ABLE TO SAY, BY 241430Z MARCH, THAT YOU ARE SPEAKING TO THE ROMANIAN AUTHORITIES TO MAKE IT CLEAR THAT PAPASOIU WAS REMOVED FROM THE UK FOR A BREACH OF THE IMMIGRATION LAWS, AND NOT FOR POLITICAL REASONS. WE THEREFORE EXPECT THAT THE ROMANIAN AUTHORITIES WILL DEAL WITH HIM SIMILARLY, J.E., FOR BREACH OF THE APPROPRIATE ROMANIAN LAWS, AND NOT ON A POLITICAL BASIS.
- 4. IF THE ROMANIANS SUGGEST EITHER THAT PAPASOIU IS NOT A ROMANIAN CITIZEN OR THAT HE IS TO BE STRIPPED OF HIS ROMANIAN CITIZENSHIP, YOU SHOULD SIMPLY UNDERTAKE TO REPORT AND SHOULD GIVE NO REPEAT NO INDICATION OF ANY POSSIBLE SUBSEQUENT ACTION BY HMG. (FOR YOUR OWN INFORMATION ONLY, THE HOME OFFICE ARE UNABLE AT THIS STAGE TO COMMIT THEMSELVES TO ANY COURSE OF ACTION SHOULD THE ROMANIANS DECIDE TO DECLARE PAPASOIU A STATELESS PERSON.)

- 5. PLEASE REPORT ROMANIAN REACTION BY IMMEDIATE TELEGRAM.
- 6. SEE MIFT FOR FUTURE INSTRUCTIONS.

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From the Private Secretary

21 March, 1983

I enclose a copy of a letter which the Prime Minister has received from Lord Bethell.

I should be grateful if you would provide a draft reply for the Prime Minister to send to Lord Bethell by 28 March.

TIMOTHY FLESHER

Mrs. Lesley Pallett, Home Office



FROM

NICHOLAS BETHELL

TELEPHONE 01-402-6877 la draft reply

73 SUSSEX SQUARE D

Pue Murter:

73 SUSSEX SQUARE LONDON W2 2SS

21/3

The Rt. Hon. Mrs Margaret Thatcher, MP, 10 Downing Street, LONDON S.W.1.

18th March 1983

Dear Margaret,

I have been deeply shocked by the news that Mr Stancu Papusoiu, a Rumanian citizen, was deported to Rumania the day before yesterday after being refused political asylum. He is certain to be imprisoned for a very long time. He will probably be subjected to cruel physical violence and he may even suffer the death penalty.

I feel sure that you cannot possibly have known that this was going to happen. Your principled stance on the question of the Russians who were forcibly repatriated in 1945 was greatly admired throughout the country. Your position on the need to protect those who fall foul of communist dictatorships has been firm, steadfast and an example to us all.

Ceausescu's Rumania is, as I am sure you know, probably the most brutal member of the communist bloc. Her independent and eccentric foreign policy in no way points to a liberal internal policy. Under rules announced a few days ago no Rumanian may emigrate, even if permission in principle is obtained, without repaying the full cost of his or her education in convertible currency. And anyone who challenges communist authority is most ruthlessly repressed, far more ruthlessly than in Poland, even under martial law.

Under these circumstances it seems unbelievable that a British Government, especially a Conservative Government, should have handed over this unfortunate man to the tender mercies of such despots, especially since he has already served a considerable time in prison for attempting to escape from them.

The fact that, even after his imprisonment, he should have tried again to escape from Rumania, this time by stowing away in a lorry, is surely proof enough of the depth of his despair and longing to live in a free country. I appreciate that, technically, he may not qualify as a refugee

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under international law. But, as you pointed out at your meeting with members of the European Parliament on March 1st, it has traditionally been the British custom to place a higher value on justice than on the letter of the law.

It is, I am sorry to say, too late to save Mr Papusoiu now. But there are others in a similar predicament to his, in particular the large number of Poles who were stranded here when martial law was declared. As I indicated in a recent letter to The Times, which I enclose, a small number of Poles were deported to Poland during 1981. And there are a large number of Poles still here who, in spite of the temporary respite that the Home Office has given them, still fear that they may one day be forced to return to Poland's communist rulers.

As someone close to the Polish community here, I have in recent weeks received very many anxious communications about this matter. And these representations have greatly increased as a result of the terrible event of March 16th.

In short, I believe that the Home Office have been taking too tough a line vis-à-vis citizens of European communist countries who wish to remain here. I have written more than a hundred letters to them about this, mainly to Tim Raison and to David Waddington, both on the principle and on specific cases. But, while they are sometimes willing to help individually, their attitude on the principle remains harsh and uncompromising. And it has culminated in David Waddington's decision to send Mr Papusoiu back to Rumania, which I regard as disastrous and very cruel.

While I hate to add to your burdens at this crucial stage in the Government's fortunes, I feel that I must ask you to look at this matter yourself. It will be too late to save Mr Papusoiu even if you agree with me, but it would be possible for the Home Office to be asked to look more kindly at those who wish to escape from Soviet and Soviet-bloc oppression. I very much hope that you will do this.

Y mus ever

Lord Bethell

Polish refugees

From Lord Bethell

Sir, The petition presented at 10 Downing Street today about Britain's ungenerous treatment of Polish refugees, eloquently described in your leading article on February 22, highlights a problem of serious concern both to the Polish community and to many others.

There are more than 10,000 Poles in Austria living in temporary accommodation and seeking resettlement. Several thousand have gone to North America, Germany and other developed countries, but the United Kingdom has accepted only seven.

I am also sorry to say that during 1981 seven Poles were deported to Poland and a further two forcibly removed to Poland after being refused political asylum. Deportations ceased after martial law was declared, but Poles are terrified that they may be resumed. Such de-

portees are liable to various penalties in Poland, including arrest.

During 1981 other Poles went "on the run" after being ordered by the Home Office to present themselves at Heathrow airport for removal to Poland. There were two who, over a period of several months, put letters through my letter box, asking me to intervene on their behalf, and then ran away in case someone opened the door and caught them.

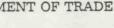
All these were "reprieved" once martial law was declared. But their status in Britain is still unclear. They have broken the rules and they fear that they may one day be arrested and returned to Poland, as others

were in 1981.

I believe that the Government should make it clear that no Pole will ever again be forcibly handed over to Poland's communist authorities.

Yours sincerely, NICHOLAS BETHELL, 73 Sussex Square, W2. March 2.

The Times 9th MARCH 1983





From the Secretary of State

N. B. P. R.

Telephone 01-215 7877

A. J. C. 87

The Rt Hon Julian Amery MP 112 Eaton Square London SW1W 9AA

February 1983

Thank you for your letter about your recent talk with the new Romanian Minister of Foreign Trade.

I am not sure that there is any question of strict reciprocity over visits; the last Trade Minister to go to Romania was Cecil Parkinson as Minister of State (you were of course there at the same time). We would however have been very happy in the normal course of events for Mr Pungan to come here and the Romanian Ambassador informally suggested this to my Department shortly before Christmas. The real problem is Romania's financial position; it is difficult to envisage any very effective dialogue at my level on the significant expansion of mutual trade while Romania is not only the subject of a rescheduling agreement for past debt maturities but has also announced its inability to make capital repayments this year. We are not now in a position to give the country further help on the commerical front so that it seems all too likely that, were Mr Pungan to make an early visit, he would go away disappointed. For this reason my officials have indicated to the Ambassador that Ministers' programmes of both inward and outward visits in 1983 are now pretty congested, which is indeed the case. would therefore feel it best to postpone the issue of a visit by Mr Pungan for a while.

I am copying this letter to the Prime Minister and Foreign Secretary.

LORD COCKFIELD

Romenia: Recevers. NO0 79

caro "hi



10 DOWNING STREET

ROMANIA

2 February 1983

THE PRIME MINISTER

Than I asewell

Thank you for your letter of 28 January and for the book on President Ceausescu.

I was interested to hear of your meeting with the President and grateful to you for passing on his message of goodwill, which I warmly reciprocate. The particular suggestions about visits at various levels relate to proposals about which we have been in touch with the Romanian Authorities through other channels. As we pursue these matters it will be helpful to have in mind the points in the message from President Ceausescu.

Robert Maxwell, Esq., M.C.

Mayour Lotte

10 DOWNING STREET 2 February 1983 THE PRIME MINISTER Dear Th. Masewell. Thank you for your letter of 28 January and for the book on Ludmila Zhivkova. I was interested to hear of your meeting with President Zhivkov and grateful to you for passing on his message of goodwill, which I warmly reciprocate. The particular suggestions about visits at various levels relate to proposals about which we have been in touch with the Bulgarian authorities through other channels. As we pursue these matters it will be helpful to have in mind the points in the message from President Zhivkov. Robert Maxwell, Esq., M.C.

PRIME MINISTER

You will recall that I had to fend off Robert Maxwell who very much wanted to come to see you and hand over "messages" from the Presidents of Bulgaria and Romania. He was extremely persistent. In the end, rather than cause offence, I invited him to write to you enclosing his messages and said that we would send a suitable letter in return. Typically, he then asked for two letters, which he will doubtless use to promote his own cause in Bulgaria and Romania.

Would you be prepared to sign the two attached letters?

I think they are utterly harmless. If you strongly object, I could send a Private Secretary letter but I have no doubt that he will bridle if I do so.

A. J. C.

1 February 1983

CONFIDENTIAL Foreign and Commonwealth Office London SW1A 2AH 31 January 1983 Dear John, Robert Maxwell In your letter of 28 January you asked for advice on Mr Maxwell's request for two letters which he could pass on to the Presidents of Bulgaria and Romania in response to personal messages conveyed by Mr Maxwell to the Prime Minister on behalf of the two Presidents. We would advise against sending written messages to the two Presidents through Mr Maxwell. The 'personal messages' which he conveyed to the Prime Minister on their behalf seem to have been oral. In asking for replies he may have in mind the promotion of his business interests as much as Anglo/Romanian/Bulgarian relations. Both messages refer to a wish for a raising of the level of political contacts. In the Bulgarian case this means a visit by the Foreign and Commonwealth Secretary, and in the Romanian case a State Visit by HM The Queen and a visit by the Prime Minister. We think it inadvisable to encourage these hopes. Mr Maxwell mentions the biographies of Presidents Ceausescu Zhivkov with which his firm is involved. If the book on Ludmila Zhivkova follows the style of the uncritical life of her father which Pergamon Press published last year, it is something with which the Prime Minister might prefer not to be associated. The book on President Ceausescu similarly reads like a translation of official Romanian propaganda. I enclose a draft reply which the Prime Minister may care to send to Mr Maxwell. Yours ever (J E Holmes) Private Secretary A J Coles Esq 10 Downing Street CONFIDENTIAL

DSR 11 (Revised) SECURITY CLASSIFICATION Top Secret Secret Confidential Restricted Unclassified PRIVACY MARKINGIn Confidence CAVEAT.....

Enclosures—flag(s).....

Reference FROM: Prime Minister TEL. NO: **DEPARTMENT:** Your Reference TO: Robert Maxwell Esq MC Headington Hill Hall Copies to: Oxford OX3 OBB SUBJECT: Thank you for your letter of 28 January and for the books on Ludmila Zhivkova and President Ceausescu. I was interested to hear of your meetings with President Zhivkov and President Ceausescu and grateful to you for passing on their messages of goodwill, which I warmly reciprocate. The particular suggestions about visits at various levels relate to proposals about which we have been in touch with the Bulgarian and Romanian authorities through other channels, and at this stage I would not like to be precise as to how matters may turn out. Sometile to but mind As we passe there walters it will be helpfe to have in mind the points in the delle never for President Chicker. and Milet Consesce.

TYPE: Draft/Final 1+

LETTER

DRAFT:

minute/letter/teleletter/despatch/note



Remania

10 DOWNING STREET

THE PRIME MINISTER

31 January 1983

Than Tulian

I was very grateful for your letter of 28 January enclosing a note of your interesting talks with the Romanian President and Foreign Minister. There is much food for thought in it.

Thank you for handling the question of my possible visit to Romania in the way that you did. I do indeed think it would be very difficult to get there in anything like the near future.

Comme Mayant

The Rt. Hon. Julian Amery, M.P.

Sur?

To downing street

Robert MAXOFIL 1

From the Private Secretary

31/1/8/

28 January 1983

Robert Maxwell

We spoke yesterday about the above's request that he might call on the Prime Minister to deliver personal messages from the Presidents of Bulgaria and Romania.

It was not possible to arrange a call on the Prime Minister for Mr. Maxwell. When I spoke to him he expressed considerable disappointment about this and asked whether, if he transmitted the contents of the messages in writing, it would be possible for him to receive a suitable reply. I said that I would try to arrange this.

I now enclose a copy of his letter, together with copies of a personal letter and enclosures which he has sent to the Prime Minister. You will note that he seeks two letters in return which he can pass on to the Presidents of Bulgaria and Romania. I should be grateful if you could suggest brief and non-committal drafts which might meet the purpose and which I could submit to the Prime Minister. It would be very helpful if these could reach me by close of play on Monday.

BK

A.J. COLES

John Holmes, Esq., Foreign and Commonwealth Office.

Robert Maxwell MC Headington Hill Hall Oxford OX3 OBB OXFORD (0865) 64881

28 January 1983

A J Coles, Esq Private Secretary to the Prime Minister (Overseas Affairs) No. 10 Downing Street London SW1

Dear Mr Coles

I enclose herewith a letter to the Prime Minister with the enclosures, and thank you in advance for your kind help in bringing them to the Prime Minister's notice.

I hope it will be possible for the Prime Minister to let me have suitable replies to the two personal messages.

Yours sincerely

Robert Maxwell

Robert Maxwell MC Headington Hill Hall Oxford 0x3 0BB 0XFORD (0865) 64881 28 January 1983

PERSONAL AND CONFIDENTIAL

The Rt Hon Margaret Thatcher, MP The Prime Minister No. 10 Downing Street London SWl

Dear Mrs Thatcher

I enclose herewith:

- a) A copy of the book which Pergamon Press will be publishing shortly on Ludmila Zhivkova, the tragically deceased only daughter of President Zhivkov of Bulgaria.
- b) A copy of the book on President Nicolae Ceausescu which I published on the occasion of his 65th birthday on the 26th of this month.
- c) An Aide Memoire relating to a personal message I have been asked to give you by President Zhivkov.
- d) An Aide Memoire relating to a personal message I have been asked to give you by President Ceausescu. These Aide Memoires are self-explanatory and I hope will be of some interest and value to you.

I understand from Mr Cole that it may be possible for you to send me a constructive reply relating to each message which I could pass on to President Zhivkov and President Ceausescu.

Yours sincerely

Phhert Maxwell

AIDE MEMOIRE

President Todor Zhivkov

- As you may know, we shall be celebrating, at a Reception at the Bulgarian Embassy, the publication of Ludmila Zhivkova's book on 3 February, a copy of which I am pleased to present to you. Ludmila Zhivkova, the only daughter of President Zhivkov, died suddenly last year before she was 40. She was a full member of the Politbureau, former Minister of Culture and a person with original ideas in politics, culture and aesthetics.
- When I recently presented an advance copy of this book to President Zhivkov in Sofia, where I was accompanied by the Bulgarian Ambassador to the Court of St James, Mr Kiril Shterev, the President showed his keen interest in improving the political level and the commercial contacts between Bulgaria and the UK. I had the impression that he was rather concerned that both the British Government and British industry are under-estimating our opportunities for profitable bilateral and unilateral trade with the People's Republic of Bulgaria.
- 3 President Zhivkov asked me to transmit to you a personal message:
 - a) His very best wishes
 - b) His best wishes to the people of Great Britain for their prosperity and success in 1983
 - c) He would strongly welcome the raising of the level of political contact and improvement of relations between the two countries. He sees especially considerable opportunities for improving bilateral and multilateral trade and economic relations.
 - d) He asked me to tell you how much pleasure he derived from your visit to Bulgaria in 1967 and how much he hopes that one day it will be possible for you to repeat that visit and that in the meantime better higher level political contact could be maintained to discuss items of mutual interest, not only those relating to trade but matters of international political importance, especially matters concerned with Europe and the Balkans.

PERSONAL AND CONFIDENTIAL AIDE MEMOIRE President Nicolae Ceausescu At a Reception at the Romanian Embassy on 17 February we shall be publishing in the UK the book on Ceausescu containing an extensive interview that the President has granted me on some important national and international affairs. You might be interested to read the answer to my question to President Ceausescu on the SS20 Missiles - Zero Option, which you will find attached as an addendum to this Aide Memoire. On the occasion of my visit to Bucharest last week President Ceausescu asked me to transmit to you a personal message: His best wishes a) He remembers vividly the talk he had with you when b) you visited Bucharest when you held the post of Minister of Education. He also remembers warmly his meeting with you when you were Leader of the Opposition. He is very strongly of the opinion that there are c) great opportunities of mutual benefit to the UK and Romania in expanding trade and economic relations both on a bilateral and multilateral basis. He asked me to remind you how much he is looking d) forward to hearing as to when HM The Queen will be able to return the State Visit to the People's Republic of Romania. He would strongly welcome a visit by you if you could spare the time, and/or by Mr Pym. He went on to say that he feels sure you are well e) aware of Romania's independent political stance relating to international affairs and that higher political contacts could be valuable to both sides.

SS20 MISSILES - ZERO OPTION

ROBERT MAXWELL:

Mr President, the "zero option" is one that asks for the dismantling of the SS-20 missiles targeted on Europe. In the opinion of many Europeans, if the Soviet side seriously wishes to prevent the European installation of American Cruise and Pershing missiles on our soil then they should agree to dismantle the SS-20s targeted on Europe. Everybody agrees that the use of these missiles by either side would be suicide for all of us in Europe. Does President Ceausescu agree that this question is a European problem not just a Soviet-American one, and have you any suggestions of what we in Europe could do to help avoid this calamity?

NICOLAE CEAUSESCU:

I agree that a full solution must be found to both the American and the Soviet missiles, but it should also cover vectors of nuclear weapons and of medium-range nuclear arms. Certainly, it would be normal to reach the withdrawal of all Soviet missiles - but that should be properly matched by measures for the nuclear-weapon carriers on the part of the NATO countries.

I think that this is how the Soviet Union sees the problem and that she is ready for an agreement. We have discussed the matter, and we understand that neither side can unilaterally solve the problems, that both of them discuss these problems frankly and preserve an equilibrium. The best equilibrium, to be sure, would be to completely give up all nuclear arms. The installation of new missiles and the development of Soviet ones enhance nobody's security - to the contrary, this heightens the risk of destruction in Europe. Neither the Western nor the Eastern countries will remain, in effect, beyond the range of missiles. That is why every effort must be made to reach an agreement. In this sense we have already made the recommendation, and we insist on it, that the European countries do not stay out of the negotiations but directly involve themselves, in parallel, in the negotiations dealing with the medium-range missiles to solve the problems, since this question concerns all the European countries - it is not only a Soviet- American problem.

Extracted from interview given by President Ceausescu to Robert Maxwell and published in "Ceausescu - Builder of Modern Romania" (Pergamon Press)

FROM: THE RT. HON. JULIAN AMERY, M.P. 112, EATON SQUARE, SWIW 9AA TEL: 01-235 1543 01-235 7409 28th January, 1983. Der Margaret, I was in Romania from 11th - 15th January at the invitation of the Foreign Minister, Mr. Stefan Andrej. Robert Cranborne came with me. I had a long talk with Andrej and we both had a very good audience of President Ceausescu at his chalet near Predeal in the Carpathian mountains. We also called on the Minister of Foreign Trade, Mr. Pungam and took part in a "Round Table" with a number of retired diplomats, newspaper editors and economists. Our Ambassador, Paul Holmer, was very helpful and, in addition to private talks, gave a successful lunch party for us, attended among others by former Foreign Minister Macovescu. Notes of the different talks are attached. Some of them are lengthy so I have sidelined the passages you might find more interesting. Our reception was extremely friendly and the atmosphere more relaxed than on previous occasions. For once we were given our full programme at the airport by the Deputy Minister who met us there, instead of being kept in the dark about whom we were going to see and when! On the other hand the Romanian ministers were much less critical of the Soviet leadership than on previous occasions and the views they expressed on disarmament and the Middle East seem at first sight very close to the Soviet line. My talk with Mr. Andrej, though rather more open than our talk with the President, does not seem to differ from it in any material respect. I would judge than the Romanians do not want to put themselves forward as intermediaries with Moscow but want to give us a fairly straightforward assessment of the Soviet position as they see it.

with Ceausescu later in the year would be revealing. It might also, if you so wished, allow you to say things which would be transmitted to Moscow without involving a verbal confrontation. There is also the consideration that an informal visit - normal enough between leaders of the Western alliance - is unusual, perhaps unprecedented, between Western and Eastern leaders and may be worth contemplating for this reason alone.

I would add that both Robert and I thought the President considerably diminished physically and perhaps in consequence, rather mellower than at previous meetings.

I am copying this letter and enclosures to Francis Pym and Michael Heseltine. Francis will be the best judge of whether he need go to Bucharest. But unless you or he can go I would recommend that we invite Mr. Pungam to come here. He is due an invitation and was, certainly until recently, very close to the President.

Julian Amery

Malian.

The Rt. Hon. Mrs. Margaret Thatcher.

PS. We were amused to learn from our Foreign Ministry guide that the role of Vlad Dracul (Dracula) has been reassessed "positively" by a panel of Marxist historians. He was, apparently, a very good administrator if somewhat excessive in his use of impaling to punish wrongdoers. He was also a very patriotic warrior against the Turks. His tendency in old age to drink the blood of virgins as a restorative is of course deplored. But as our guide lamented, he would find it difficult nowadays to find an adequate supply!

FROM: THE RT. HON. JULIAN AMERY, M.P. 112. EATON SQUARE, -trut SWIW 9AA TEL: 01-235 1543 01-235 7409 I was in Romania the week before last. In the course of other meetings had a talk with Mr. Pungam. As you will know he is now their Minister of Trade. Previously he was personal adviser to the President and at an earlier stage Ambassador in London. It is, I believe, our turn to invite him to come to London. He told me, however, that a Romanian delegration was due to come to London in the course of this month or early next month. As it may be difficult for the Prime Minister or Foreign Secretary to visit Romania this year you may like to consider in the light of the delegations talks whether to invite Mr. Pungam. On purely political grounds I would be inclined to think that this is advisable. I am copying this letter to the Prime Minister and the Foreign Secretary. Tho Lord Cockfield,

Secret

Note of a meeting at the President's Chalet, Predeal, Romania

14th January 1983 - 10.30 a.m. - 12.30 p.m.

Present:

President Ceausescu Foreign Minister Andrej An interpreter Mr. Julian Amery, M.P. Lord Cranborne, MP

After an exchange of courtesies, President Ceausescu expressed the hope that Mrs. Thatcher would visit Romania this year. Mr. Amery explained that uncertainties over the timing of a UK election might make this difficult. President Ceasescu answered that he would like her to come even if it were just for the day!

President Ceausescu then said there were increasing problems in the world and that we now faced a very serious situation. The changes that had occurred in the USSR were changes of persons not policy, at least for the time being. This meant that Mr. Andropov would continue the existing policy of the USSR. That policy was directed towards reaching an understanding about armaments.

President Ceausescu referred to the recent Warsaw Pact meeting in Prague. The Romanians had not obtained everything they wanted but they could live with the Prague communique.

The most important matter to emerge from Prague was the need to stop the arms race and then make progress towards disarmament. Both the Russians and their allies genuinely wanted to reach agreement on the arms race.

Several ideas emerged at Prague, some new, some old. The main issue concerned medium range missiles. There was a deep anxiety within 1983 to halt the deployment of American missiles in exchange for at least the partial withdrawal of Soviet missiles. The Romanians felt that positive steps should be taken to this end. Even if it the were not possible to dismantle/missiles altogether at least a balanced reduction should be possible, particularly as the Soviet proposals paved the way for some agreement on this.

A second Romanian proposal was to begin discussions between the nations of NATO and of the Warsaw Pact. Such discussions should not replace the US/USSR talks but would help disarmament and confidence-building in Europe. The two blocks possessed 80% of the world's armaments and therefore an understanding between them could have a big influence on the world situation. Romania was anyway for the abolition of both blocks. There was a need for new talks which would pave the way towards the dismantling of the two blocks. It was important that all the European countries should be present at such disarmament talks.

A third proposal at Prague was the idea of a non-aggression pact between the two blocks. This was not a new idea but it could be important.

The essential component of all three proposals was the need for NATO and the Warsaw Pact to halt the arms race and to begin disarming. Talks between the blocks should begin on these topics.

Meanwhile the Madrid conference should end as soon as possible. Even if it only ended with a decision to convene a new European conference and for such a conference to continue would be an important result. It was important not to try to solve everything at the first stage. The problems were very complex and we should therefore solve them step by step. We should get rid of the idea of all or nothing (presumably a reference to the zero option). Even small steps were preferable to increasing tension.

Mr. Amery said that he was aware of the views President
Ceausescu had expressed earlier in the year and of his aim of a multipolar rather than a bi-polar international structure, with
which we had a certain sympathy. However, Mr. Andropov had raised
difficulties for France and Britain by introducing the question of
the independent French and British deterrents. Our missiles were
not suitable for the defence of Germany. After all the original
request for Cruise and Pershing had come from Chancellor Schmidt.
Without Cruise or Pershing the Germans had but two options: to arm
themselves or to become neutral.

'window of opportunity to consolidate their superiority in Europe or elsewhere? "

President Ceausescu doubted whether there was an imbalance between the sides. There might be an imbalance in certain weapons, but overall there was no imbalance. When each side could destroy the planet ten times over one could not speak of imbalance.

destruction in order to protect Europe if the Americans had no weapons in Europe.

President Ceausescu replied that new missiles deployed in Europe could not provide new security if the USA was not prepared to take risks for the defence of Western Europe. Anyway Europe would be destroyed in either case. Security therefore lay through the destruction of existing weapons. It was, indeed, possible that the USA would honour its commitments. It had already worked out plans for a limited nuclear war in Europe. The American concept was one-sided. For the USSR it implied a threat from missiles which could penetrate its own home territory. apply to the USA. It followed therefore that the USA could not be left out of any Russian response to nuclear attack by American medium range nuclear missiles. No Soviet leader could accept the idea of half of Russia being destroyed without retaliating against the territory of the USA. If he himself were a Russian leader in such circumstances he certainly would retaliate in that way. If the USA deployed missiles in West GErmany there could be no other target but Soviet territory for them. If other states were the only targets the existing tactical nuclear missiles would be enough.

Asked how dangerous he thought the present situation, President Ceausescu said he thought it very dangerous. But there was a way forward, first in Europe. The Soviets were serious about disarmament. The Romanians had advanced even more radical proposals in Prague, but the present proposals were reasonable. The Soviets understood that any resort to nuclear weapons would mean the destruction of the Soviet Union and they therefore wanted to reduce armaments and lower the balance.

Mr. Amery asked whether we could conclude that considerations both of security and of economics went hand in hand. President Ceausescu answered "yes".

Asked whether we should expect a forward Soviet policy in the Middle East, Ceausescureplied that it was important to reach a solution as soon as possible. In the case of the Iran/Iraq war it was in the interests of both countries to end the war quickly, but particularly in the case of Iran. He would not be drawn further on this issue.

As far as the Arab countries' conflict with Israel was concerned several measures were necessary. First, all foreign troops should be withdrawn from the Lebanon. Then the Palestinians should acquire the right to decide whether they wanted to set up their own state; and finally the USSR should be involved in a comprehensive solution of the Middle Eastern question. An Israeli-Egyptian treaty might have been possible without the Russians. But an Israeli peace treaty with other states was not. There now existed, in addition, a favourable situation which could lead to a comprehensive peace in the area. This, however, could alter rapidly and Arab countries could become more radical. The Fez agreement anyway meant virtual Arab recognition of Israel. But if negotiations did not begin in 1983 the situation could change.

Mr. Amery said he was going to Amman in about two weeks' time. Mr. Begin had told him that if King Hussein asked the ISraelis to negotiate with him they would have to accept. But would Arafat accept the leadership of King Hussein in such negotiatons?

Ceausescu thought that at present Mr. Arafat represented the most rational force in the Middle East including Israel. He stood for a negotiated solution and was the most moderate force in the PLO. All others were more radical. If the opportunity to negotiate now were not taken the PLO was likely to change to a less moderate outlook. The strength of the PLO was still underestimated. The Palestinians should not be seen in the context of Lebanon alone. They were well established in the Gulf and had a strong economic position there. It was possible for Jordan to play a certain part but they could do nothing without the Palestinians. The situation of Jordan was different from the situation of Egypt. SAdat and Egypt had the force to act independently no matter what the USSR thought: Hussein could not.

Asked whether Mr. Breshnev, before he died had in mind a division of the Middle East as Europe was "divided at Yalta", Ceausescusaid it was not possible to envisage a second Yalta in the Middle East even if the USA and Russia wished it. Times had changed since the 1940s. Russian had Afghanistan, it was true, but it had always dominated Afghanistan even when the monarchy was there. Even then Western influence had been very weak. On the other hand the Soviets could not secure domination over Iran or Iraq. Neither could the USA. Mr. Breshnev had simply called for a Middle Eastern conference linked to finding a solution of the Palestinian question and stopping the conflict between Israel and the Arabs. But, of course, the Soviets wanted to be directly involved in the settlement.

Mr. Amery recalled in 1979 President Ceausescu had strongly recommended Britain to support Mr. Mugabe in Zimbabwe. Mugabe, he had said, was independent while Nkomo was only a Soviet agent. Were external, perhaps Soviet, influences at work in the present confrontation between Matabele and Shona? President Ceausescu said he was not familiar with the situation but he did not think that henceforth Nkomo was likely to play an important part. There were also problems connected with South African support of certain forces in Zimbabwe. There were other problems, too: Namibia, in particular, where there was a need to change the policy of South Africa which should stop interfering in the internal affairs of Namibia.

Asked about Kossovo and Transylvania, President Ceausescu said Kossovo would be settled by Yugoslavia. As to Transylvania, there was no problem. It had been Rumanian for 2,000 years and he was not concerned about it although there had been one or two murmurings.

Pressed about internal tensions in the USSR, President Ceausescu said that the West attached too much importance to Russian economic problems. The USSR was a very powerful state and enjoyed a plentiful supply of raw materials which they even sold to NATO countries. The Soviets had difficulties over efficiency and technology but they would probably solve them. Those who wanted to deny Russia access to technology were wrong. They would only push Russia into trying to solve those problems by itself. Even the difficulties in

Soviet agriculture could be settled. Their grain production of 180 m tonnes could be a good crop, since if they used it properly, they would not need to import grain.

Mr. Amery asked whether in the light of this analysis we need not expect a confrontation with the Soviets. President Ceausescu replied that internal forces in the Soviet Union were probably working for a reconciliation with the West - for a return to detente. These forces understood that an arms race must lead to economic difficulties.

As far as Anglo-Romanian relations were concerned, President Ceausescu thought these good. To have differences of opinion was normal. In the economic field, however, some joint ventures, including aviation, were not quite on a proper path and the balance of trade was in the UK's favour. He wished relations to develop on a balanced basis.

Mr. Amery replied that he understood that agreement was in sight on the question of credits and that a Romanian delegation was expected shortly in London to discuss trade questions. We could perhaps judge what to do next after the delegation's visit.

President Ceausescu said Romania would like to sell more to the UK, particularly textiles. We could do more jointly in the third world. He emphasised the need to cut down on armaments in order to release resources for other purposes.

Search Note of a conversation between the Romanian Foreign Minister, Mr. Stefan Andrej and Mr. Julian Amery at the Romanian Ministry of Foreign Affairs 12th January, 1983 - 9.30 - 11.30 a.m. Present: The Foreign Minister Mr. Julian Amery, M.P. Mr. Andrej asked me to come to the Ministry alone. We both spoke French, he said, and so could avoid the delays of interpreted conversation. He could then also speak more freely. In point of fact his Deputy Minister, Mr. Duma, was also present for most of the conversation. After the usual exchange of courtesies, Mr. Andrej asked me for news about Britain. He showed particular interest in the sterling "crisis" but expressed no views on it. He had also been clearly impressed by the conduct of the Falklands Operation and its impact on our latest defence review. He then asked me about the British nuclear deterrent, its capability and its purpose. I told him, in broad outline, the published facts about Polaris and its successor, Trident, and explained that we regarded both as essentially strategic weapons to be used, as a last resort, to deter an attack against the British Isles. They were not intended or suited to serve as theatre nuclear weapons. I understood that the French attitude to their nuclear weapons was very much the same. Mr. Andrej said he would return to the subject later in our talk when we came to discuss disarmament. Mr. Andrej then spoke about Romania. He thought the Romanians were close to an agreement on the rescheduling of their debts. had proposed that 75% of their obligation should be postponed until 1985. The IMF thought only 60% should be rescheduled. was confident that a compromise could be reached between these two figures. He went on to say that the Government had had to adopt a number of austerity measures. They were seeking in particular to

modernise their agriculture which had lagged behind their industrial development. He also complained that the Soviets obliged them to pay for imports from the Soviet Union in hard currency or in goods that could otherwise have been sold for hard currency to the West. Even Yugoslavia was better treated by Moscow in this respect!

Mr. Andrej then raised the subject of the exchange of Ministerial visits between Britain and Romania, President Ceausescu attached great importance to these as he did himself, very much hoped that the British Prime Minister and Foreign Secretary would be able to come to Romania during the course of the I said that Iwas sure both Mrs. Thatcher and Mr. Pym would like to come but there was the possibility - some thought the probability - of a general election; and he would understand that this might necessitate a postponement. Mr. Andrej replied that he fully understood our electoral concern. He stressed, nevertheless, that President Ceausescu very much wanted to have a talk with Mrs. There would be no need for her to stay more than 24 hours. The purpose of the visit would be simply to have a talk with the President - not the Romanian Prime Minister - and all ordinary formalities could easily be set aside. then mentioned that it was our turn to invite the Minister of Foreign Trade, Mr. Pungam. He was arranging for me to meet him before I left Bucharest.

I then asked Mr. Andrej what had been his impression of the Warsaw Pact meeting in Prague the week before.

He said there had been general satisfaction in Bucharest over the communique. The Romanians had restated their known position. This consisted in an immediate freeze in military budgets (since restated) to be followed by a reduction of 20% across the board by 1985. He could not claim that they had got all their ideas accepted but there was nothing in the communique that went contrary to them. In answer to a question, he denied strongly reports that President Ceausescu had been at loggerheads with his Warsaw Pact colleagues. The communique had been prepared well in advance of the meeting and the discussion of it had been unusually smooth.

I asked him how he saw the situation in the Soviet Union now that Mr. Andropov had taken the helm. He said that his fundamental impression was one of continuity of policy. Mr. Breshnev had been ill for the last few months but most of the current themes stressed by Mr. Andropov had been raised already. The new Soviet leadership would be more dynamic than it had been in the last phase of Mr. Breshnev's rule but everything indicated that they would pursue the same general lines of policy.

He and the President were convinced that Mr. Andropov genuinely wanted to reach an agreement on disarmament. Mr. Andropov needed one for economic reasons — the Soviet economy was in serious difficulties — but even more from the point of view of Soviet security. It was his impression that Mr. Andropov thought the Americans were stalling at Geneva and that they would not give up their plans to deploy the Cruise and Pershing missiles. If these plans went ahead the present military balance in Europe would be altered decisively in favour of NATO. That was why he had introduced the question of the British and French deterrents.

I explained again that we regarded these as strategic forces and not as nuclear theatre weapons and stressed that it was the Germans who had asked originally for the deployment of Cruise and Pershing. The Germans had certainly never regarded British or French nuclear forces as major elements in their own defence. If Cruise and Pershing were not deployed British and American troops in Germany would be in some danger with no adequate defence against the SS2Os. The Germans themselves might then lose confidence in NATO. If that happened Germany would have only two options. One would be to become a nuclear power itself which the Russians would find difficult to accept. The other would be to go neutralist which would undermine NATO and the European Community.

Mr. Andrej replied that he saw my point but that we must realise that as far as the Soviets were concerned the British and French nuclear deterrents presented them with a threat which in physical terms, whatever their intended purpose, brought the WEstern arsenal very close to the existing Soviet nuclear arsenal. President Ceasescu believed that all these matters should be discussed not just between the super powers at Geneva but in a conference of all the NATO and Warsaw Pact powers. I asked whether Madrid did not provide such a forum or Vienna. He thought something more concrete was needed. I stressed that I did not think that Britain or France would agree to discuss their own nuclear forces in such a context.

At this point I recalled that the Romanian leadership had stressed to me in the past the power and influence of the Soviet military-industrial complex and its expansionist inclinations. The Western powers and in particular the US were seeking to close the "window of opportunity" which had developed in favour of the Soviets and which Dr. Kissinger had publicised. We had already seen in Poland the Communist Party lose control of economic, social and political life of the country and that this had led to a military take-over. Was the Soviet Union moving in a similar direction?

Mr. Andrej described what was happening in Poland as imcompatible with Marxist/Leninism. A Government, ostensibly based on the working class could not remain indefinitely in the hands of a military junta. He agreed that the Polish regime was more like a Latin American military dictatorship than a Peoples' Democracy. He did not, however, think that things had moved anything like so far in the Soviet Union. For some years, it was true, and particularly in the later months of the Breshnev regime the armed forces and the KGB had been steadily increasing their influence. They had secured absolute priority in their command of economic resources and their view had prevailed in a recent controversy over the size of the Soviet Fleet. Beyond that they were likely to play an increasing part in such domains affecting public morale as education, and the promotion or censorship of books, newspapers and films. He did not think, however, that they were at all anxious to take over responsibility for the more intractable aspects of Soviet life such as agriculture and consumer production. I suggested that they might however, have to become involved if the civilian economy continued to deteriorate. He did not disagree but thought

they were certainly not pressing to become more involved than they were already in these domains. Was there, I asked, a danger that the Soviet regime might try to take advantage of the "window of opportunity" while it remained open? Mr. Andrej answered enigmatically that their main concern was the security of the Soviet Union and their immediate interest to secure agreement on disaramament.

I then raised the question of the recently increased Hungarian propaganda in support of the Hungarian minority population in Transylvania. There was also the question of the recent disturbances in the Kossovo. Could these developments be attributed in any way to Soviet encouragement? Did they represent an attempt to destabilise or limit Romanian or Yugoslav independence?

On Transylvania, Mr. Andrej seems reasonably relaxed. He had no concrete evidence that the Soviets were behind the recent Hungarian propaganda campaign. It was natural to deduce that they had done nothing to stop it. For the time being, however, he was inclined to attribute the campaign to the Hungarian Government's interest in deflecting criticism of the regime arising from the economic recession by beating a nationalist drum (the Romanian regime are of course adept at this particular technique).

As to the Kossovo crisis, Mr. Andrej thought, and Belgrade agreed, that the Yugoslavs had been far too liberal in their treatment of the Albanian minority. They had created an Albanian university of very substantial proportions. All the teaching was in Albanian. Most of the faculties had been concerned with law, history and philosophy and had thus been a natural breeding ground for agitators. They also had established some very modern factories. All this had led some Kossovo Albanians to conclude not so much that they should break away from Yugoslavia to join Albania but that they should break away from Yugoslavia to take over Albania. He could throw no light on the murders of Mehmet Shehu and his supporters but was contemptuous of Enver Hodja as a relic of the STalinist past.

Summing up on Transylvania and the Kossovo, Mr. Andrej stressed that the Soviets were deeply attached to the principle of the immutability of post-war frontiers. They had expressed this clearly at Helsinki. This did not exclude the possibility that they might exploit local issues in order to keep countries like Romania or Yugoslavia closer into line with their own policies.

I then asked Mr. Andrej about the situation in South West Asia and mentioned my concern at the appointment of Mr. Aliyev as First Deputy Prime Minister of the Soviet Union. My concern was partly due to the fact that Mr. Aliyev was prominent in one of the Soviet Islamic republics but even more to a speech he had made in Baku in June of last year, in front of Foreign diplomats, in which he was alleged to have spoken in favour of a/Soviet and Iranian Azerbaijan. Did his appointment indicate a forward Soviet policy in South West Asia and in particular Iran?

Mr. Andrej at first dismissed the speech as of no importance but it presently became clear that he had not heard of it. He asked me for further details and said he would be grateful if I could send him a report of it. He went on to say that the Soviets had reason to be increasingly concerned about their Islamic republics and suggested that Mr. Aliyev's promotion might be defensive as well as offensive. He thought Moscow had been very concerned by the recent anti-Soviet demonstrations in Teheran on the anniversary of the Soviet invasion of Afghanistan. The recent Soviet decision to rearm Iraq was probably a direct reply to these demonstrations. According to his latest information, Soviet FROG missiles had been fired at Desful in the last few days. Future developements in Iran were plainly of great concern to the Soviets.

Our discussions of Iran led on naturally to Afghanistan. On this Mr. Andrej said that the Russians would never go back to the situation which had existed at the time of President Daud. They had, he believed, encoruaged Nur Taraki's coup against Daud because they feared that the West was gaining undue influence over Daud through the Shah. He pointed out, with a mischievous smile, that the West had recognised both the Taraki and the Amin regimes.

Mr. Andrej thought the Soviets would welcome a political solution to the Afghan problem but he did not see how this could be brought about. I said that I doubted whether the Soviets could be easily persuaded to withdraw their military installations in Afghanistan which threatened the Straits of Hormuz. Mr. Andrej indicated that he could not disagree.

Mr. Andrej stressed that Romania enjoyed very good relations with Pakistan.

We turned next to the Levant.

Mr. Andrej said that President Ceausescu envisazed a solution on the following lines.

- 1. There should be a total withdrawal of Israeli, Syrian and PLO fighters from the Lebanon. This should be accompanied by an understanding between the Lebanese Government and the PLO about the future status of civilian Palestinian refugees in Lebanon.
- 2. The West Bank and the Gaza Strip should be granted autuonomy in association with Jordan. Autonomy should be according to the Egyptian interpretation of Camp David and not the Israeli.
- 3. After a lapse of time, as envisaged in Camp David, the people of the West Bank and Gaza should be entitled to vote to decide whether they wished to be an independent state or confederated with Jordan.

Mr. Andrej claimed that Mr. Arafat had agreed to this formula. He was now free to act on his own after the way the Arabs had let him down in Beirut. On the other hand, he went on, if Mr. Arafat could not get something like these terms his movement would become increasingly radical. The Palestinian refugees were numerous and strong in the Gulf states. They could be a serious threat to the Conservative regimes there, some of which were very fragile. (I rather enjoyed the thought of "Sheikh Nicholae" marching to the defence of the monarchies of South Arabia).

In further discussion on the Levant Mr. Andrej recognised that King Hussein had an important part to play. He also accepted that it

influential but my neighbour at lunch was Mr. Niageu. (I hope I have got the spelling right). He is, I understand, the head of the West European Desk. He had been engaged for some 3 weeks over the drafting of the Prague communique and had been at the Prague conference himself.

Mr. Niageu began our talk by launching into a strong defence of the Andropov proposal equating the Soviet SS2Os with the British and French nuclear deterrents. In reply I explained why we regarded our deterrent forces as our ultimate national reinsurance against attack and why a failure to deploy Cruise and Pershing missiles at least in equivalent strength to Soviet SS2Os would leave the Germans with no options but to become a nuclear power themselves or go neutralist. Without hesitation he replied "but what is wrong with a neutral Germany?" He went on to talk about how Finland enjoyed ideological freedom with neutrality and even with a special relationship with the Soviet Union. I said that Romanians should perhaps reflect on their previous experience of an independent and united Germany before both the first and second world wars.

We left it at that, but I was struck between the orthodox Warsaw Pact tone of his comments and those of Mr. Andrej in the morning meeting.

* * * * *

The same afternoon, again in the Villa Titulescu, Robert Cranborne and I attended what was called a Round Table Conference of some 30-40 Romanians identified mainly as former ambassadors, may newspaper editors, economists and jurists. They/have have looked somewhat seedy and underfed but their mood, for Romania was pleasantly relaxed.

There was much talk in the course of discussion that the present was "a decisive moment" in international affairs. It proved impossible to pin them down on what was the decision to be taken. But we sensed, and so I think did H.M. Ambassador, that their reception of us what not just cordial but expressed a mood of some anxiety.



I enclose a copy of a telegram to the Prime Minister from the Prime Minister of Romania, following the Prime Minister's congratulatory message about which I wrote to you on 28 May.

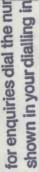
From the Private Secretary

No acknowledgement of the reply has been sent from here. Perhaps the Department can arrange to let the Romanians know that it has been received.

M. A. PATTISON

Francis Richards, Esq., Foreign and Commonwealth Office.

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British TELECOAN for enquiries dial the nur

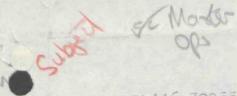
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PRIME PERSONAL SERIAL No. T122/82

ETATPRIORITE RT. HON. MARGARET THATCHER THE UNITED KINGDOM OFGREAT BRITAIN AND IRELAND NORTHERN STREET 10 DOWNING LONDON/SW/1

THANKS FOR THE CONGRATULATIONS WARM PLEASE ACCEPT MY PRIME-MINISTER MY APPOINTMENT AS THE SOCIALIST GOVERNMENT ROMANIA. REPUBLIC OF SHARE YOUR CONVICTION

10 LONDON/SW/1

PAGE2/35

DEVELOPED THAT THE GOOD ROMANIAN-BRITISH RELATIONS CAN BE OF BOTH OUR PEOPLES, INTEREST FURTHER ON THE IN THE AND PEACE COLLABORATION DASCALESCU CONSTANTIN GOVERNMENT OF THE PRIME MINISTER OF SOCIALIST REPUBLIC OF ROMANIA

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HIME MINISTER'S PERSONAL MESSAGE 9271AL No. 7 115 8/82

UNCLASSIFIED

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GRS 60 UNCLASSIFIED FM FCO 280930Z MAY 82 TO ROUTINE SANTO DOMINGO TELEGRAM NUMBER 25 OF 28 MAY A. PLEASE PASS THE FOLLOWING MESSAGE FROM THE PRIME MINISTER TO SENOR BLANCO:

BEGINS: PLEASE ACCEPT MY CONGRATULATIONS ON YOUR SUCCESS IN THE RECENT ELECTIONS. I LOOK FORWARD TO THE CONTINUATION DURING YOUR PRESIDENCY OF THE CORDIAL RELATIONS WHICH HAPPILY EXIST BETWEEN OUR TWO COUNTRIES. ENDS

PYM

NNNN DISTRIBUTION LIMITED WIAD EM UNIT PCD PS PS/MR ONSLOW PS/PUS MR GIFFARD MR URE



Romania IV

10 DOWNING STREET

From the Private Secretary

28 May 1982

NEW ROMANIAN PRIME MINISTER

The Prime Minister has approved the draft message of congratulations to the new Romanian Prime Minister, sent to us recently under cover of your undated letter to John Coles.

M. A. PATTISON

Francis Richards, Esq., Foreign and Commonwealth Office.

of the

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Foreign and Commonwealth Office London SW1A 2AH

Agree that menera should be sent?

Ves pro ARD:

Dear John.

New Romanian Prime Minister

The Romanian Government was reshuffled on 21 May and a new Prime Minister, Mr Constantin Dascalescu was appointed. HM Ambassador at Bucharest has recommended, and it would be in accordance with the normal courtesies, that the Prime Minister send a message of congratulations. I enclose a draft. If the Prime Minister agrees we shall instruct Mr Holmer to deliver the message.

four over.

(F N Richards) Private Secretary

A J Coles Esq 10 Downing Street

DSR 11 (Revised)	DRAFT: mirror letter to relative vir sent strict and sent sent sent sent sent sent sent sent	TYPE: Draft/Final 1+	
	FROM:	Reference	
•	Prime Minister		
	DEPARTMENT: TEL. NO:		
SECURITY CLASSIFICATION	то:	Your Reference	
Top Secret Secret	Mr Constantin Dascalescu		
Confidential		Copies to:	
Restricted Unclassified			
PRIVACY MARKING	SUBJECT:		
AUSTIL PRIMARY			
In Confidence	On behalf of Her Majesty's Government I		
Should like to offer you my congratulations		ulations and best	
	wishes on your appointment as Prime	Minister. I	
	should also like to take this oppor	tunity to	
	express my confidence that the good	relations between	
	our two Governments can be developed further to the		
	advantage of both our countries.		
Enclosures—flag(s)			
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DEPARTMENT/SERIES PREM 19 PIECE/ITEM 1923 (one piece/item number)	Date and sign
Extract/Item details: Letter Rom PM to Ceauseson dated 4 February 1982	
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Instructions for completion of Dummy Card

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	GRA 168
PIECE/ITEM	49

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UNCFFICIAL TRANSLATION OF LETTER ADDRESSED
BY PRESIDENT CEAUSESOU TO THE RT HON MARGARET
THATCHER MP, PRIME MINISTER OF THE UNIFED
KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

Esteemed Madam Prime Minister

In the name of the Romanian people and of the Grand
National Assembly of the Socialist Republic of Romania
and in my own name, I address myself to you in connection
with the opening of the negotiations at Geneva between
the Soviet Union and the United States of America on
stopping the deployment of and withdrawing medium-range
missiles in Europe.

The Romanian people, like other European peoples,

The Romanian people, like other European peoples, are profoundly concerned about the situation in Europe where an immense arsenal of conventional and nuclear weapons has been built up. The plans to deploy new medium-range nuclear weapons have greatly underlined the danger of a destructive war which would destroy the entire material and spiritual treasures of Europe, and would imperil the very existence and life on earth.

The vital interest of the peoples of the continent, the defence of their existence, makes it imperative that there should be no nuclear missiles and weapons in Europe.

The peoples say decisively NO to the deployment and development of new medium-range missiles and firmly demand a substantial reduction — on both sides — of nuclear weapons of all types with a view to ridding our continent of atomic weapons, so that the atom may be used exclusively for peaceful purposes in the interest of the progress and well-being of the peoples.

In these conditions the Soviet/American negotiations at Geneva, which are of the highest interest to all the peoples of Europe, acquire a special importance. In debating these problems the Grand National Assembly of the Socialist Republic of Romania, at its meeting on 28 November 1981, authorised me to address myself to the leaders of states which signed the Helsinki Final Act, calling for every effort - particularly at the present time - to develop confidence and bring about disarmament and the building of security on our continent.

Romania welcomes the opening of the Soviet/American negotiations in Geneva and hopes that, on the basis of the proposals formulated by the Presidents of these two countries, concrete agreements will be reached on stopping the deployment and development of new weapons of mass destruction and on the withdrawal of medium-range nuclear missiles from Europe. In this sense, charged by the Grand National Assembly, I addressed a personal appeal to the President of the Supreme Soviet of the USSR, Leonid Ilyich Brezhnev, and the President of the United States, Ronald Reagan, to do everything in their power to ensure that these negotiations meet the legitimate demands of the peoples and lead to a cessation of the arms race and to substantial measures on disarmament in the nuclear field.

The Romanian people expect, as do the other peoples, that from the beginning of these negotiations, and for their duration, there will be agreement to renounce the implementation of the NATO decision to deploy new medium-range nuclear missiles in Europe and the development of existing ones on both sides, while the Soviet Union, as President L I Brezhnev has declared, unilaterally reduces part of its missiles of this type stationed on the European territory of the USSR. We wish the Geneva negotiations to conclude with an agreement which would lead to reduction of nuclear weapons in Europe to the lowest possible level, and with agreement on measures for the total elimination of nuclear

weapons, both medium-range and tactical, so that Europe may become a continent without nuclear weapons.

Having in view the fact that the problem of nuclear weapons in Europe is of interest to all peoples of the continent, I consider it is necessary for all European states to show a special and permanent concern and interest, to express their point of view and to participate in one form or another - at the very least as observers - in the negotiations concerning nuclear missiles and armaments in Europe, and to strive for their success. I am confident, esteemed Madam Prime Minister, that your Government will act and will do everything in its power to contribute to the complete success of the Soviet/ American negotiations in Geneva, so that they respond to the expectations and interests of the peoples to live in a Europe of peace and collaboration, without nuclear weapons. So far as she is concerned, Romania is ready and willing to work together with Great Britain, and with all European states, to ensure the success of the Geneva negotiations.

I think you will agree with me, Madam Prime Minister that before the missiles are launched, before the atomic bombs are dropped on the continent, now before it is too late, while we are alive and can take action, we should do everything to reduce and eliminate nuclear weapons from Europe, in order to defend the fundamental right of mankind to life, liberty and peace.

A European presence at these negotiations would have a positive influence and would help their development to a good conclusion, because, after all, the problems of Europe cannot be resolved without the states of the continent. Romania is ready to take an active part in these negotiations and to make a complete contribution to their successful conclusion.

Romania considers that the creation of a denuclearised zone on the continent is a part of the process of establishing security in Europe. In this sense we are determined to continue to work for the development of bilateral and multilateral relations in the Balkans and to transform the Balkans into a zone of peace, good-neighbourliness and collaboration, free of nuclear weapons.

I take this opportunity, esteemed Madam Prime Minister, to express my confidence that we will continue to act in the spirit of the conversations we have nad together to develop Romanian/British relations, and work together in the international field for a policy of peace, detente, collaboration and security in Europe and in the world.

We want to work closely with Great Britain to conclude the Madrid meeting with substantial measures which will lead to a deepening of the process of building security and developing cooperation in Europe, and to agreement on calling a conference on confidence and disarmament in Europe, and assuring the continuity of the multilateral process begun at Helsinki for holding new all-European meetings. As you know, Romania has proposed that the next meeting should take place at Bucharest and I would welcome it if Great Britain would support this proposal.

I wish us to work together for a united Europe in which independent sovereign states, regardless of their socio-political systems, their membership of military blocs and economic groupings, can develop wide relations of collaboration, and can work together for the maintenance of peace and security on the continent, and in which each nation can develop freely in conformity with its own interests and aspirations, without any danger of war or aggression.

In conclusion I express my conviction, esteemed Madam Prime Minister, that the traditional relations of friendship between the Romanian and British peoples will

continue to develop in the mutual interest of peace and collaboration in Europe and throughout the world.

With special consideration

N Ceausescu

4 December 1981 BUCHAREST



Romenia

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FM F C O 052300Z NOV 81

TO IMMEDIATE BUCHAREST
TELEGRAM NUMBER 222 OF 5 NOVEMBER
INFO ROUTINE BONN, PARIS, WASHINGTON, UKDEL IMF/IBRD WASHINGTON,
MODUK (FOR DI72)
INFO SAVING TO BELGRADE, UKREP BRUSSELS, UKDEL NATO, UKDEL OECD,
WARSAW, MOSCOW, BUDAPEST, PRAGUE, SOFIA.

ROMANIA : REQUEST FOR ECONOMIC ASSISTANCE

1. THE ROMANIAN AMBASSADOR, GLIGA, CALLED ON INSTRUCTIONS ON LORD TREFGARNE ON 5 NOVEMBER.
HE HANDED OVER A LETTER FROM THE ROMANIAN FOREIGN MINISTER TO ME (TEXT BY BAG TO BUCHAREST ONLY).
THIS INTER ALIA REFERRED TO ANDREI'S SOMEWHAT HALF-HEARTED REMARK DURING HIS RECENT VISIT TO LONDON THAT ROMANIA WOULD SHORTLY SEEK A 3 YEAR CREDIT FROM THE UK.

2. GLIGA THEN MADE THE FOLLOWING SPECIFIC REQUESTS : (A) A LOAN OF BETWEEN DOLLARS US 800M AND DOLLARS US 900M AT QUOTE ADVANTAGEOUS RATES UNQUOTE OVER A PERIOD OF 4 TO 5 YEARS. THIS WOULD BE USED PARTLY FOR REPAYMENT OF UK COMMERCIAL CREDITS MATURING BETWEEN NOW AND THE END OF 1982. BY ROMANIAN CALCULATIONS THESE TOTALLED DOLLARS US 428.9M THE REST WOULD BE USED TO FINANCE IMPORTS FROM THE UK: (B) A QUOTE DELAY UNQUOTE OF REPAYMENTS OF ECGD BACKED CREDITS MATURING BETWEEN NOW THE END OF 1982 (BY ROMANIAN FIGURES THE TOTAL SUM INVOLVED WOULD BE DOLLARS US 45.2M). GLIGA DID NOT HIMSELF USE THE WORD QUOTE RESCHEDULING UNQUOTE BUT DID NOT DISSENT WHEN LORD TREFGARNE DID SO: .. (C) A RENEWAL FOR 1982 AT AN INTEREST RATE OF 8.25% OF WHAT GLIGA DESCRIBED AS QUOTE ECGD'S EXISTING CREDIT LIMIT OF POUNDS STERLING 100M UNQUOTE WHICH THE ROMANIANS BELIEVED WOULD EXPIRE AT THE END OF 1981. GLIGA WAS HOWEVER UNSURE ABOUT HOW THIS PROPOSAL RELATED TO (B) ABOVE AND COULD NOT ANSWER LORD TREFGARNE'S QUESTION WHETHER THIS WAS MERELY A WAY OF RESCHEDULING THAT DEBT: (D) FURTHER ENCOURAGEMENT BY HMG OF BRITISH FIRMS TO IMPORT ROMANIAN GOODS, TO ESTABLISH ANGLO-ROMANIAN JOINT VENTURES. AND TO COOPERATE ON THIRD MARKETS WITH ROMANIAN ENTERPRISES. A SPECIAL SESSION OF THE ANGLO-ROMANIAN JOINT COMMISSION SHOULD BE CONVENED TO LOOK AT THESE IDEAS.

CONFIDENTIAL

3. GLIGA ALSO STRESSED THAT THE ROMANIANS WISHED TO DEAL BILATERALLY WITH THE INTERNATIONAL ASPECTS OF THEIR FINANCIAL PROBLEMS. ROMANIA WOULD NOT RESORT TO QUOTE MULTILATERALISM UNQUOTE. THIS IS CONSISTENT WITH CEAUSESCUS VIEWS AS REPORTED IN WARSAW TELNO 746 (NOT TO ALL).

4. LORD TREFGARNE UNDERTOOK TO PASS THESE REQUESTS TO
THE APPROPRIATE DEPARTMENTS BUT POINTEDOUT THAT THIS WAS AN
UNPROPITIOUS MOMENT FOR ANY REQUEST WHICH WOULD HAVE THE
EFFECT OF INCREASING THE UK'S DOMESTIC PSBR.

5. WE HAVE NOT YET CHECKED WITH ECGD AND THE TREASURY
THAT THE ROMANIANS HAVE CORRECTLY UNDERSTOOD AND CALCULATED
THE VARIOUS COMMITMENTS AND FIGURES REFERRED TO IN PARAGRAPH
2 ABOVE.

UNTIL WE HAVE BEEN ABLE TO DO SO INFORMATION ADDRESSES SHOULD NOT DISCLOSE THIS APPROACH TO OTHER GOVERNMENTS OR TO THE IMF/IBRD.

CARRINGTON

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PS
PS|LPS
PS|LORD TREFGARNE
PS|PUS
HR BULLARD
HR EVANS
MR FERGUSSON

COPIES TO 1 PS S OF S CRE 4 DI INDUSTRY PS CHANCELLOR SIR K COUZENS HM. TREASURY MIL MOUNT FIELD MR HAWTIN MISS BANKR MR LOGHNIS BANK OF ENGLAND MR P. J. BULL MR STEVENS HR BREACH ECGD HIL COOKBE HR EDNAN HR WENBAN-SMITH, CABINET OFFICE

No. 10 DOWNING STREET

CONFIDENTIAL





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Romanica: Visit of PM Yerdok: April 81

14 April 1981

PRIME MINISTER'S

PERSONAL MESSAGE
SERIAL No. T 65/81

Your Excellency,

THE PRIME MINISTER

Thank you for your message about the CSCE Review Meeting in Madrid which was passed to me by Ambassador Gliga on 1 April.

I fully share your conviction that everything must be done to ensure peace. This must be the overriding priority for all governments. In our view, a sound East/West relationship must be based on a stable balance of forces and on the exercise of restraint by all states in Europe and in the wider world arena. Only against this background will it be possible to create the necessary climate for arms control and reductions in military spending, both of which are of vital importance.

We shall continue to do all we can to work for an improvement in East/West relations, but the obstacles are not of our making. There is a pressing need for a solution to the problem of Afghanistan in accordance with the resolutions of the United Nations General Assembly, which would provide for the withdrawal of Soviet troops and the freedom of the Afghan people to have a government of their own choosing. There can be no doubt that progress on Afghanistan would be of immediate benefit to East/West relations. Another issue which is in the forefront of our concerns is the situation in and around Poland. It is of the utmost importance that the Polish people should be left to solve their problems without any outside

/interference.

EN

interference.

Against this background, I agree with you that there is a requirement to reduce tension in Europe and to build confidence in the field of military security. That is why we have supported the French proposal for a Conference on Disarmament in Europe, to negotiate militarily significant, binding and verifiable confidence building measures which apply to the whole of Europe. In this connection, I welcome President Brezhnev's acceptance of the principle that CBMs should apply to the whole of the European part of the Soviet Union. I hope that the Soviet Union will also be ready to accept the other equally important criteria in the French proposal, which we believe to be essential if CBMs are to make a genuine contribution to enhancing security in Europe. I see no reason why we should not proceed on this basis to the proposed conference. If that can be agreed, we shall of course be ready to play a full part in whatever preparatory work proves necessary.

You mentioned also President Brezhnev's proposal for a quantitative and qualitative freezing of medium range nuclear missiles in Europe. We and our Allies see this as an attempt to contractualise the serious imbalance in theatre nuclear forces in favour of the Soviet Union which has resulted from the recent and continuing large-scale deployment of SS20 missiles. It is, as such, unacceptable to us. We remain committed to the double decision which we took with our Allies in December 1979. This provides both for the deployment of American theatre nuclear forces in Europe and for negotiations on this vitally important subject. We believe that any agreed limitation on these systems should be consistent with the principle of parity. That is the only basis for long-term stability.

Turning now to the Madrid Meeting itself, I too consider that we should be working for a balanced final document which will register agreement on the wide range of issues contained in the Helsinki Final Act. As you will know, we and our partners and Allies have tabled a balanced package of new proposals to further improve the implementation of the Final Act. These proposals cover areas which are of direct interest to us in the fields of military security, human rights, contacts and information. I hope that it will be possible to reach agreement on them, and on proposals which have been put forward by other participants. If, at the end of the day, it proves impossible to go as far, we must at least ensure the continuity of the CSCE process itself. I am sure that you will agree with me on that.

I am grateful for your Government's offer to host the next Review Meeting in Bucharest. If a consensus to this effect could be reached at Madrid, we should have no difficulty in joining it. There is, however, another candidate in the field and the decision will no doubt have to be taken towards the end of the Madrid Conference. In the meantime, I hope that our delegations will continue to work closely together to bring the Meeting to a successful close.

I am looking forward to my meeting with Mr. Verdet and to the opportunity of pursuing these and other important questions in our talks.

(sgd) M T

55

13 April 1981

MESSAGE TO PRESIDENT CEAUSESCU

The Prime Minister has seen your letter to me of 10 April and has approved the draft enclosed with it. I should be grateful if you could arrange for its immediate despatch.

MDDBA

Francis Rihaards, Esq., Foreign and Commonwealth Office.



Thank you for your letter of 1 April about the message from President Ceausescu which the Romanian Ambassador delivered to the Prime Minister on 1 April. I enclose a draft reply which might usefully be sent before the Romanian Prime Minister arrives on 13 April. If this proves impracticable, we should think it best for the Prime Minister to tell Verdet that she was glad to receive Ceausescu's message and that she will be replying before the resumption of the Madrid meeting after the Easter break. We could then amend the draft to the extent necessary to take account of the talks with Verdet.

All NATO member states have received a similar message from the Romanians.

I am sending you this draft now to avoid delay, although it has not been seen by Lord Carrington. A copy is in his weekend box.

(F N Richards) Private Secretary

M O'D B Alexander Esq 10 Downing St MESSAGE FROM THE PRIME MINISTER TO PRESIDENT CEAUSESCU

Thank you for your message about the CSCE Review Meeting in Madrid which was passed to me by Ambassador Gliga on 1 April.

I fully share your conviction that everything must be done to ensure peace. This must be the over-riding priority for all governments. In our view, a sound East/West relationship must be based on a stable balance of forces and on the exercise restraint/in Europe and in the wider world arena. Only against this background will it be possible to create the necessary climate for arms control and reductions in military spending, both of which are of vital importance.

We shall continue to do all we can to work for an improvement in East/West relations, but the obstacles are not of our making. There is a pressing need for a solution to the problem of Afghanistan in accordance with the resolutions of the United Nations General Assembly, which would provide for the withdrawal of Soviet troops and the freedom of the Afghan people to have a government of their own choosing. There can be no doubt that progress on Afghanistan would be of immediate benefit to East/West relations. Another issue which is in the forefront of our concerns is the situation in and around Poland. It is of the utmost importance that the Polish people should be left to solve their problems without any outside interference.

Against this background, I agree with you that there is a requirement to reduce tension in Europe and to build confidence in the field of military security. That is why we have supported the French proposal for a Conference on Disarmament

in Europe, to negotiate, initially, militarily significant, binding and verifiable confidence building measures which apply to the whole of Europe. In this connection, I welcome President Brechnev's acceptance of the principle that CBMs should apply to the whole of the European part of the Soviet Union. I hope that the Soviet Union will also be ready to accept the other equally important criteria on the French proposal, which we believe to be essential if CBMs are to make a genuine contribution to enhancing security in Europe; and I see no reason why we should not proceed on this basis to the proposed conference. If that can be agreed, we shall of course be ready to play a full part in whatever preparatory work proves necessary.

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partners and Allies have tabled a balanced package of new proposals to further improve the implementation of the Final Act. in Madrid. These proposals cover areas which are of direct interest to us in the fields of military security, human rights, contacts and information. I hope that it will be possible to reach agreement on them, and on proposals which have been put forward by other participants. But if, at the end of the day, it proves impossible to go as far, we must at least ensure the continuity of the CSCE process itself. I am sure that you will agree with me on that.

I am grateful for your Government's offer to host the next Review Meeting in Bucharest. We would have no difficulty in joining it a consensus to this effect at Madrid. There is, however, another candidate in the field and the decision will no doubt have to be taken towards the end of the Madrid Conference. In the meantime, I hope that our delegations will continue to work closely together to bring the Meeting to a successful close.

I am looking forward to my meeting with Mr Verdet next week and to the opportunity of pursuing these and other important questions in our talks.

To be

ms.

Romania 5-5

8 April 1981

Thank you for your letter of 6 April enclosing the original text of the message of the President of the Socialist Republic of Romania to the Prime Minister.

M. O'D. B. ALEXANDER

88

EMBASSY OF THE 4 PALACE GREEN SOCIALIST REPUBLIC LONDON W8 OF ROMANIA 6th April, 1981 Dear hu. alclauder, I have the pleasure in sending you the original text of the message conveyed by H.E. Nicolae Ceausescu, President of the Socialist Republic of Romania, to Rt. Hon. Margaret Thatcher, Prime Minister of the United Kingdom. (Romanian Ambassador) Mr. Michael Alexander, Private Secretary to the Prime Minister 10 Downing Street, London SW1

CUNFIDENTIAL



Komania

NR

10 DOWNING STREET

From the Private Secretary

1 April 1981

Message from President Ceausescu

The Romanian Ambassador called on the Prime Minister this morning to deliver a message from President Ceausescu of Romania about the CSCE meeting in Madrid. I enclose copies of the texts handed over by the Ambassador. I understand that the signed original will follow later.

The only point made by the Ambassador which is not covered in the text of the message was that co-operation between the United Kingdom and Romanian delegations in Madrid is excellent and that the Romanians hope this will continue.

The Prime Minister told the Ambassador that President Ceausescu's message would be studied carefully and that a considered reply would be sent in due course. She said that as regards the Conference on Confidence Building Measures in Disarmament, the British Government had supported the approach of the French Government. We were of course aware of President Brezhnev's proposals and were trying to elucidate them. As regards medium-range missiles, the British Government were bound by the NATO decision and would continue to observe this. The Prime Minister concluded by saying that she had taken note of the Romanians' willingness to host the next CSCE meeting in Bucharest. She would respond on this point in her written reply.

M. O'D. B. ALEXANDER

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Francis Richards, Esq., Foreign and Commonwealth Office.

CONFIDERTIAL



Foreign and Commonwealth Office

London SW1A 2AH

31 March 1981

Dear Michael,

La Punt

I understand that the Romanian Ambassador will be calling on the Prime Minister tomorrow to deliver a message from President Ceausescu about the Madrid Conference. It is hard to predict what the message will contain but the two most likely candidates are:-

- i. a general statement of concern about the state of play at Madrid and the future of the CSCE process, combined with a plea for compromise on the part of Western delegations; and
- ii. a further round of lobbying in favour of Bucharest as the site of the next Madrid-type conference.

If the Romanians take up the first point, they may argue that the West should be more flexible about the French proposal for a Conference on Disarmament in Europe, the first stage of which would deal with confidence-building measures. They may suggest that the Russians have now taken an important step towards the middle ground, that it is now up to the West to match this and that the whole CSCE process will be at risk if a compromise cannot be reached.

The Russians have suggested on various occasions that they may not agree to a further Madrid-type meeting if they do not get what they want by way of a Conference on Military Detente and Disarmament, but Western delegations have so far been resolute in opposing these tactics. The Final Act itself provides for follow-up meetings, and there is no reason why the West should pay for one by agreeing to unacceptably vague terms of reference for a conference on confidence-building measures. If the Soviet Union for its part is serious about the need to build confidence in Europe, there is nothing in the terms of reference proposed by the French which the Russians should not be able to accept now that Brezhnev has indicated Soviet readiness to have confidence-building measures covering the whole of the European part of the Soviet Union. We see value in a continuation of the CSCE process; we hope that Madrid will reach agreement on the French proposal and, more generally, on a more substantial concluding document than that which emerged from Belgrade; but we would, if necessary, be prepared to accept a purely factual concluding document which recorded the intention of the parties to meet again.



- 2 -

As far as the site of the next meeting is concerned, the Romanians were first in the field with their proposal for Bucharest. We have noted it, expressed sympathy for the arguments put forward by the Romanians and assured them that we have no objection in principle to Bucharest. But we have been careful not to commit ourselves to support the Romanian candidature. The position has subsequently been complicated by the Belgians, who have put forward Brussels. We have made it clear in the Ten and in the NATO Group in Madrid that we see arguments in favour of Bucharest, as this may serve to reinforce the independent strain in Romanian foreign policy; but we have indicated also that we would be ready to join a consensus of our partners and allies in favour of Brussels if - as seems likely - this is what they would want. There is no need for a decision to be taken until the closing stages, and it now seems likely that the Madrid Meeting will go on after Easter.

The Prime Minister may wish to tell the Ambassador that she is looking forward to the visit of the Romanian Prime Minister, Mr Verdet (pronounced Verdetz).

four ever,

(F N Richards) Private Secretary

M D O'B Alexander Esq 10 Downing Street LONDON

PRIME MINISTER ere. Haster SERIAL NO3, 81 T SYA/81 30.3.81 THE RT. HON. MARGARET THATCHER, MP PRIME MINISTER OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND In the spirit of the relations of co-operation established between our countries and starting from the responsability of the states signatories of the Helsinki Final Act, for the peace and security of the European peoples, I address myself to you in matters related to the development of the present Madrid meeting Wishing for its conclusion with positive results. In the present international situation it is necessary to do everything possible for the resumption and continuation of the policy of peace, detente, respect for national independence and co-operation, to ensure a world of peace and equality to the present and the future generations, so that each people could develop freely, without any aggression or interference from outside, according to its own interests and aspirations. I consider that the central issue of the Madrid meeting should be the adoption of agreements meant to open the way for the strengthening of confidence, stoping the arms race and the adoption of concrete measures towards military disengagement and disarmament. That is why the Madrid meeting should establish the convening of a conference for confidence building measures and disarmament in Europe, as part of the process initiated by the Helsinki Conference, at a date allowing its thorough preparation. To this end I believe that a reunion of experts should be decided upon in Madrid, with the participation of all the states signatories of the Final Act, ensuring the proper preparation of the conference. ./.

- 3 -In conclusion, I convey my greetings to you and I express my desire to further develop the relations between our countries, their co-operation on the international arena, for a policy of peace, detente, national independence and security in Europe and throughout the world. With the highest regards, NICOLAE CEAUSESCU PRESIDENT OF THE SOCIALIST REPUBLIC OF ROMANIA Președintele Republicii Socialiste România

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. 7574/81

Stimată doamnă prim-ministru,

In spiritul relațiilor de colaborare statornicite între țările noastre și pornind de la răspunderea statelor semnatare ale Actului Final de la Helsinki față de pacea și securitatea popoarelor europene, mă adresez Dumneavoastră în probleme legate de desfășurarea actualei Reuniuni de la Madrid, în dorința ca aceasta să se încheie cu rezultate pozitive.

In actualele împrejurări internaționale este necesar să se facă totul pentru reluarea și continuarea politicii de pace, destindere, respect al independenței naționale și colaborării, pentru a asigura generațiilor de azi și de mîine o lume a păcii și egalității în care fiecare popor să se dezvolte în mod liber la adăpost de orice agresiune și ingerință, în conformitate cu interesele și aspirațiile sale.

Consider că pe primul plan al Reuniunii de la Madrid trebuie să fie adoptarea de înțelegeri care să deschidă calea întăririi încrederii, opririi cursei înarmărilor și trecerii la măsuri concrete în direcția dezangajării militare și a dezarmării. De aceea, Reuniunea de la Madrid ar trebui să stabilească convocarea, în cadrul procesului inițiat de Conferința de la Helsinki, a unei conferințe pentru măsuri de încredere și dezarmare în Europa, la o dată care să permită o pregătire temeinică. In acest scop, cred că ar trebui ca la Madrid să se convină ținerea unei reuniuni de experți, cu participarea

./.

Excelenței Sale Doamnei MARGARET THATCHER, Prim-ministru al guvernului Regatului Unit al Marii Britanii și Irlandei de Nord



tuturor statelor semnatare ale Actului Final, care să asigure pregătirea corespunzătoare a Conferinței.

Apreciez că o bază de negocieri de natură să conducă la realizarea unui consens în cadrul Reuniunii de la Madrid privind convocarea conferinței pentru încredere și dezarmare oferă și recentele propuneri prezentate de președintele Prezidiului Sovietului Suprem al Uniunii Sovietice, Leonid Ilici Brejnev, privind extinderea zonei de aplicare a măsurilor de încredere asupra întregii părți europene a U.R.S.S. și înghețarea cantitativă și calitativă a mijloacelor racheto-nucleare cu rază medie de acțiune în Europa, concomitent cu începerea imediată de negocieri pentru reducerea acestora.

Consider, de asemenea, că Reuniunea de la Madrid ar trebui să adopte hotărîri care să ducă la dezvoltarea relațiilor politice, economice, tehnico-științifice, culturale și în alte domenii între statele participante, să convină măsuri pentru apărarea drepturilor și libertăților democratice, eliminarea oricăror manifestări de neonazism, șovinism și iredentism, a acțiunilor teroriste, pentru lărgirea contactelor între oameni, în scopul unei mai bune cunoașteri reciproce și apropierii între popoare.

In conformitate cu prevederile Actului Final, Reuniunea trebuie să asigure continuarea procesului inițiat de Conferința de la Helsinki și ca atare să stabilească locul și data următoarei reuniuni. După cum cunoașteți, România s-a oferit să găzduiască la București această reuniune, pentru care va asigura condiții corespunzătoare unei bune desfășurări a lucrărilor. Ne exprimăm încrederea că această propunere se va bucura de sprijinul guvernului țării Dumneavoastră și va întruni consensul statelor participante la reuniune.

In ceea ce o privește, România este hotărîtă să depună în continuare eforturi pentru asigurarea succesului Reuniunii de la Madrid și va conlucra și de acum încolo cu țara Dumneavoastră, cu



celelalte state participante, pentru convenirea măsurilor care să dea un nou impuls aplicării Actului Final de la Helsinki.

In încheiere, vă adresez salutul meu și îmi exprim dorința de a dezvolta în viitor relațiile dintre țările noastre, conlucrarea dintre ele pe arena internațională pentru o politică de pace, destindere, independență națională și securitate în Europa și în lume.

Cu cele mai alese sentimente,

W. Cleverses



From the Minister for Trade 's Office

M O B Alexander Esq 10 Downing Street LONDON SWI

Dear Midael,

DEPARTMENT OF TRADE 1 VICTORIA STREET LONDON SWIH OET

TELEPHONE DIRECT LINE 01 215 - 5146 SWITCHBOARD 01 215 7877

Apily - but see

Junil fana pupl.

Phul 6/,

January 1981

My Minister thought that the Prime Minister should be informed of the outcome of Northern Engineering Industries Ltd's (NEI) \$394m (say £190m) bid to supply turbogenerators and other equipment for the proposed Cernavoda nuclear power station in Romania. She sent a personal message to President Ceausescu on 17 December 1979 in support of the company's offer.

The negotiations have been extremely protracted but it now seems almost certain that the order will go to US General Electric and its Italian associate Ansaldo. NEI look to have lost on price; they were reportedly/\$80m more expensive than their competitors and have felt unable to make any further major reduction. The Romanians did not lay down any detailed specifications of what was wanted but left each bidder to offer what it judged suitable to meet certain basic performance criteria. Most companies thus built up their offers from scratch while NEI, which initially had only a short time in which to submit a bid, prepared their quote on the basis of high-specification equipment previously supplied for a similar power station in Canada. There was thus no doubt about the quality of NEI's offer; the Government-backed financing package was attractive and, by the time negotiations were completed, their counter-trade proposals were probably better than their competitors'.

It is disappointing to have lost this order despite the exceptional support the Government has given NEI. In addition to the Prime Minister's message, the Foreign Secretary raised the matter with President Ceausescu when he went to Romania in March. Mr Parkinson has been in contact with Romanian Ministers on several occasions and made NEI's bid a major topic during his visit to Romania in October. Officials from the Departments of Trade and Industry, ECGD and the British Embassy in Bucharest have been in continuing contact with the company as the negotiations proceeded. The matter was also pursued at the last meeting of the UK/Romania Joint Commission.

/some



NEI were also given offers of very substantial financial help by the Government. Officially-backed credit, which would exceptionally have covered up to 20 years from the contract date, would have involved an interest subsidy now estimated at about £40m (assuming that the contract was financed in US dollars). The cover provided for foreign exchange fluctuations between tender and contract and for cost escalation would have cost ECGD about £20m and £15m respectively on current assumptions. Cost escalation cover was given at a concessionary premium rate and tender to contract cover extended at the original exchange rate beyond the normal term, despite criticism by the Public Accounts Committee of concessions under this scheme.

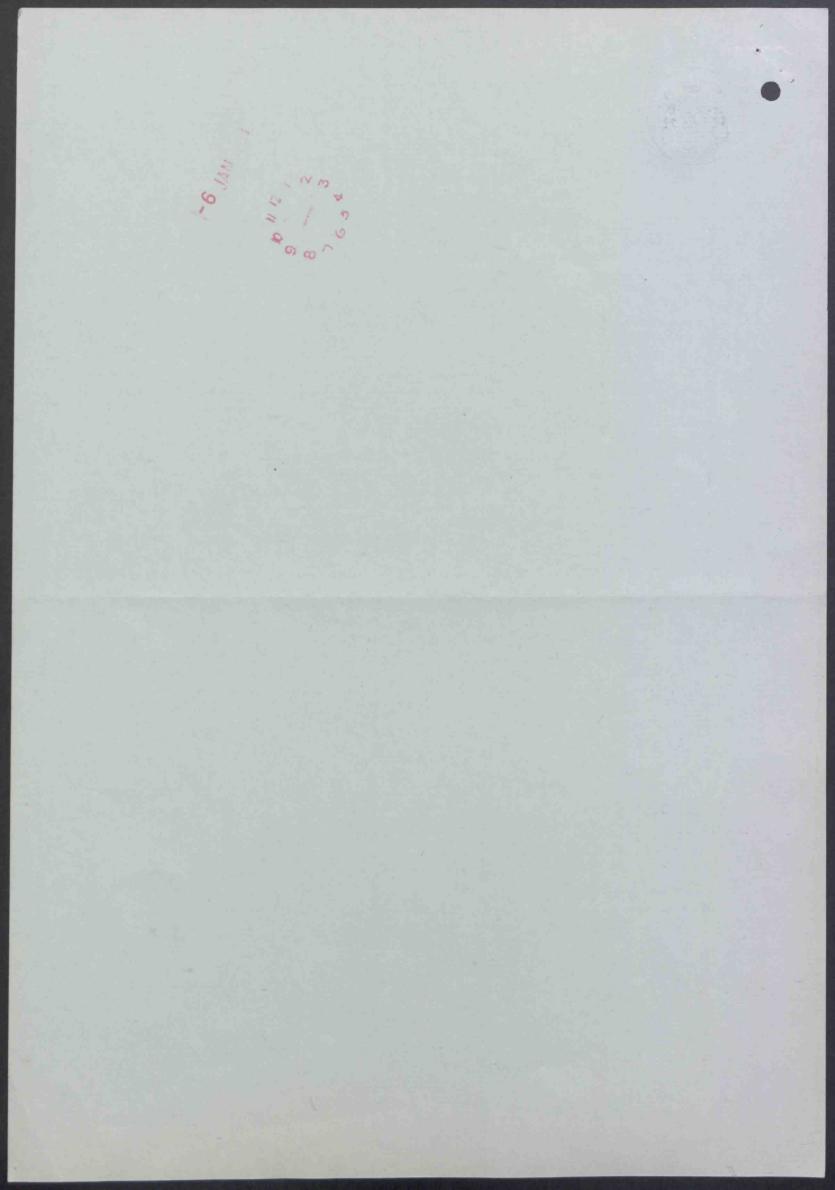
We are of course concerned to learn what lessons we can from the negotiations and their outcome; the Department will be continuing to look at these as further information about the apparently successful bid emerges. However, it seems pretty certain that the outcome has mainly followed from the way in which NEI originally formulated their offer which resulted in a much higher price than their rivals, and that no reasonable amount of Government support could make up for this basic lack of competitiveness. With some £300m worth of new orders now going to the company as part of the UK nuclear power programme, they may not be feeling too keenly the loss of the Romanian contract, which would not in itself have been very profitable.

I am copying this to the Private Secretaries to Mr Peter Blaker (FCO), Mr Nigel Lawson (Treasury) and Lord Trenchard DoI).

Your sincerely,

Mattle Combolat

MATTHEW CRUICKSHANK
Private Secretary to the Minister
for Trade (CECIL PARKINSON)



Cile

ROMANIA

29 October 1980

ROMANIA

Thank you for your letter of 27 October covering a draft reply to Mr. Amery on the question of credit terms for Romania. The Prime Minister has read your letter with interest, but has decided that there is no need for her to write further to Mr. Amery. All the relevant points seem to have been made in your Minister's earlier letter.

M. O'D. B. ALEXANDER

Matthew Cruickshank, Esq., Department of Trade. (Cecil Parkinson's Office)



From the Minister for Trade 's office

Private Secretary to the Prime Minister 10 Downing Street Whitehall London SWI

DEPARTMENT OF TRADE 1 VICTORIA STREET LONDON SWIH OET

TELEPHONE DIRECT LINE 01 215 5146 (2) SWITCHBOARD 01 215 7877

Prince Unister Pa Pananion has written to the Amery others you may use to be aware of the backfround.

27 October 1980 - 2

Dear Private Secretary,

As requested on the telephone, I attach a draft reply to Mr Amery's letter of ? October (I am sorry but we do not have its date) to the Prime Minister reporting on various aspects of his recent visit to Romania.

The Romanians are past masters at pressing at every opportunity for more favourable credit terms for their imports of equipment from the UK. Because of our commitment to the Arrangement on Guidelines for Officially Supported Export Credits it would be against the UK's best interests to meet the Romanians' request. To do so would detract from the effectiveness of the Arrangement which, generally, works well in containing competition between Governments in the provision of support for export credits. In any case meeting the Romanians' request would enable our competitors to match the UK's terms in particular cases and so gain us no lasting advantage. That the Romanians need no encouragement to play the international system to their best advantage is well illustrated by NEI's long drawn out and increasingly difficult negotiations for the contract to supply the turbine generators required for the Cernavoda nuclear power station. It is worth mentioning that, during Mr Parkinson's recent visit to Romania, two Ministers separately assured him that our financial package for the NEI bid is excellent. Similar difficulties characterised the negotiations, eventually successful, for a co-operative venture for the construction of BAC 1-11 aircraft by the Romanians. Another compelling reason to decline the Romanians' request is cost - the more favourable the credit terms supported for a particular case the higher the cost to HMG in terms of the interest rate subsidy it provides.

Against this background my Minister sees no useful purpose in following up the Romanian suggestion that Mr Pungam should visit London to pursue this issue.

MATTHEW CRUICKSHANK Private Secretary to the Minister for Trade (CECIL PARKINSON)



Bi-lateral relations and the NEI contract

At the close of my meeting with President Ceausescu, I said that, in a troubled world, Anglo Romanian relations remained very good. The President said that they must be improved still further. I agreed and replied that the Romanians had won the football match the day before. I hoped Britain might win the NEI contract under discussion. The President smiled and said that in football one side has to beat the other but that in business the outcome of a match should be beneficial to both sides.

He then opened up a familiar theme that Romania was still a developing country, not one of the poorest by any means, but still deserving more favourable credit terms that at present received from Britain. He attached very great importance to this and urged me to put the idea personally to Mrs. Thatcher. It was something that deserved serious consideration at the highest level.

* *

A few minutes after I had left the President, Mr. Pungam telephoned and invited himself to lunch. Much of our talk went over the same Middle East ground (Iraq/Iran War, Afghanistan, Palestinian problem) and seemed intended to make sure that I had understood the President's views correctly. Mr. Pungam then returned to the subject of giving Romania better credit terms. The President attached the greatest importance to this and urged that I should press the point with the British Prime Minister. It was a big subject and the President would send Mr. Pungam to London to discuss it with the appropriate British officials if this were agreeable to us.

I asked whether this proposal was linked with the NEI contract. Mr. Pungam said it was not specifically linked to any one particular contract but of course would apply to all important contracts.

* *

Before leaving Bucharest I called on Vice President Nicolescu who is overlord on the financial and economic front. (The meeting took place at the Ministry of Finance at 8 p.m. on Friday, 17th October.)



After some general discussion of no particular significance, Mr. Nicolescu also raised the question of giving Romania more favourable credit terms than she at present received from Britain. He thought it very likely that Romania would buy the British technology, referring evidently though not specifically to the NEI contract. But the important thing was to establish long term cooperation. Modern technology was a long term business. Credit terms inevitably played a major part in promoting it and Britain should take a long view. It was true that Romania was not among the poorest countries but it was making great efforts to develop its own economy. There were also important political considerations. The Romanian Government had tried hard to take an independent line in Foreign Affairs and had cut back sharply on their military expenditure. These were realities which should not be overlooked.

Romania



From the Minister for Trade DEPARTMENT OF TRADE

1 VICTORIA STREET

LONDON SWIH OET

TELEPHONE DIRECT LINE 01 215 144
SWITCHBOARD 01 215 7877

The Rt Hon Julian Amery MP 112 Eaton Square London SW1W 9AA

27 October 1980

Dear Mr Amenji

Thank you for your letter of 19 October. I read with great interest the note that you have sent to the Prime Minister reporting your discussions with President Ceausescu and his colleagues in the course of your recent visit to Romania.

The suggestion that HMG should consider supporting more favourable credit terms for UK exports to Romania is one that the Romanians miss no opportunity to press. It is, however, one on which there is no scope for negotiation. We are bound by international obligations which set agreed maxima for the credit terms eligible for official support in trade with all markets. These are more favourable for poorer countries but do not, on the objective basis used, recognise Romania as being amongst the most deserving. These arrangements operate reasonably effectively in containing international competition in the provision of Governmental support for export credits and it would not be in the UK's interests to contribute to their erosion by making, bilaterally, exceptions for particular countries. Since such exceptions would permit other countries to match the UK's terms in particular cases any advantage gained would be short-lived. Experience shows that the Romanians need no encouragement in using the 'system' to their maximum advantage. There are, too, budgetary considerations - official support for export credits is costly, increasingly so with improvements in the credit terms supported.

All this leads me to conclude that no useful purpose would be served by encouraging the visit to the UK proposed to you by Mr Pungam.

I am grateful to you for pressing NEI's cause in the course of your discussions with the Romanians. We continue to give them all the support we can in their efforts to win the Cernavoda contract in the face of the ever increasing demands made of them by the Romanians. Two ministers separately assured me during my visit that, in the NEI bid, our financial package was excellent. You will be interested to learn that the BAC 1-11 project - won by British Aerospace and Rolls Royce after very hard bargaining - is progressing well and that there is a good rapport between the British Aerospace advisers and the local workforce. This is an excellent example of the sort of long term co-operation that can be achieved between UK companies and the Romanians.



I too much enjoyed our talk at Brasov.

Yours micerely,

Mattle Comment

Approved by the Minister but signed in his absence abroad.

DRAFT LETTER TO:



ROMANIA

Less of papers

with the this
draft not to issue

The Rt Hon Julian Amery MP House of Commons London SW1A OAA

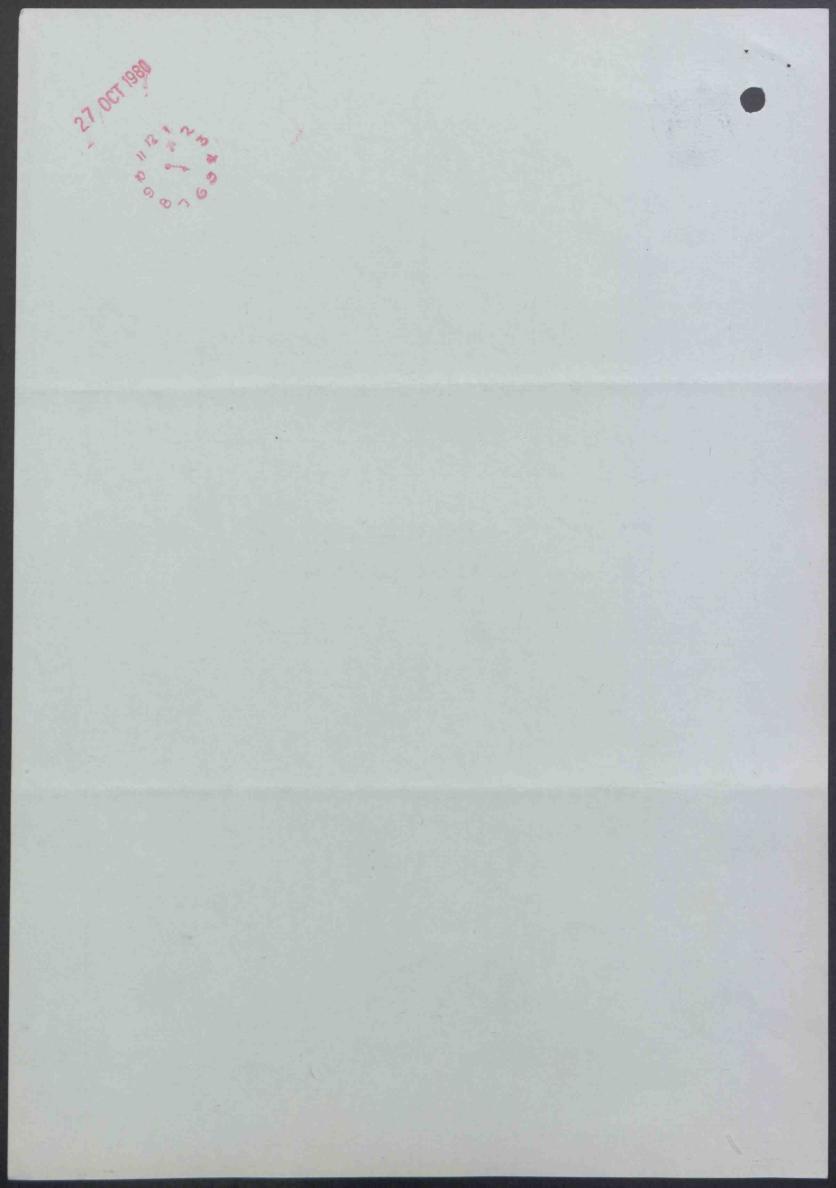
I was most interested to read the account of your recent visit to Romania enclosed with your letter of / / October. I am not surprised that the President and his colleagues took the opportunity to press on you their view that improved credit terms from the UK would enhance our prospects in their market. They miss no opportunity to plead this particular case.

The issue is, however, an extremely complicated one. We are committed along with other OECD members to the Arrangement on Guidelines for Officially Supported Exports Credits - the so-called Consensus - which aims to constrain competition between Governments in the provision of support for export credits. The tenacity, not to say aggression, with which the Romanians customarily pursue their negotiations with suppliers ensure that they obtain the best terms permissible under this Arrangement. Were we to meet their request for more favourable terms it would avail us little, if any, advantage as, by Consensus rules, other contenders for business bid for by the UK would be permitted to match our terms. Only the Romanians would gain - and at the extra cost to the UK involved in providing a larger subsidy in support of the export credit interest rate. In these circumstances I hope you will agree that there is little point in taking up this suggestion of a visit by Mr Pungam.



This is not to say that I do not share the Romanians desire for greater co-operation between our countries. I understand from Cecil Parkinson that although winning the business was a long hard struggle, the co-operative venture under which the Romanians are to build BAC 1-11's is progressing well. But we must obviously look to our own interests. The tactics being pursued by the Romanians in their negotiation with NEI for the generating equipment required for the Cernavoda nuclear power station well illustrate the Romanians devotion to theirs.

More generally your discussions there clearly made a valuable contribution to the furtherance of our good relations with Romania and I am most grateful to you for letting me have your views and comments.



22 October 1980 Dear Julian Thank you for your letter of 19 October and the enclosed notes on your conversations in Rumania last week. They were, as always, most interesting. I agree with you that President Ceausescu's comments on Poland are disturbing. We shall be following up the point about the NEI contract. Yours ever, Margaret The Rt. Hon. Julian Amery, M.P.

LPO

FROM: THE RT. HON. JULIAN AMERY, M.P. 112, EATON SQUARE, SWIW 9AA TEL: 01-235 1543 01-235 7409 19th October, 1980. en hangaret. I was in Rumania last week from 14 - 18 October as the personal guest of Foreign Minister Stefan Andrej and enclose notes of my talks with him and with President Ceausescu. My visit coincided with Cecil Parkinson's own visit as the guest of Mr. Burtika, the Deputy Prime Minister in charge of trade and some aspects of the NEI contract now under discussion were mentioned to me. I accordingly also attach a note on these. My general impression was that though my personal reception was friendlier than ever, the Rumanian leadership is trimming a little more towards the Moscow line than when I was there a year ago. The President's comments on Polar an alarming President Ceausescu asked me to convey his very best wishes to you. I am copying this letter and its endosures to Peter Carrington and Francis Pym and the note on the NEI contract to Cecil Parkinson. You will see from this that I have been asked to put a definite proposition to you and will no doubt be considering how this should be handled. The Rt. Hon. Mrs. Margaret Thatcher, M.P.

Foreign Minister Stefan Andrej Mr. Sandulescu

The Rt. Hon. Julian Amery, M.P.

Afghanistan

Mr. Andrej believed the problem could only be solved by direct negotiations between the Governments of Afghanistan, Pakistan and Iran. Mr. Barbrak Kamal was ready for such a negotiation but could not agree to negotiate with the Islamic Council as such. The Pakistanis for their part felt under an obligation to the Council. There was thus a procedural problem to be resolved. The ostensible subjects for negotiation would be recognition of the Afghan Government and the control of the frontiers.

But of course the main issue was the question of the withdrawal of the Soviet army. Mr. Andrej had understood from Mr. Gromyko that the Soviets would withdraw provided all help to the anti-government forces was stopped. The withdrawal would not be simultaneous with the termination of aid to the resistance but would follow reasonably soon afterwards. The Russians would accept a non-aligned Government but not an Islamic republic. The risk of contagion in their Central Asian republics would be too great. Mr. Amery suggested that it would be very difficult for a Socialist type government to maintain itself after all that had happened. Mr. Andrej said that the new government need not be a Socialist regime and the Russians probably realised that they had made a great mistake in encouraging the overthrow of President Daud. Mr. Amery said that Afghanistan however difficult to control was nevertheless a big prize for the Soviet military. Mr. Andrej agreed but thought that the army were in real trouble there. There was noone in the resistance with whom they could negotiate and no single organisation to defeat. He thought Mr. Breznev might be sincere in speaking of readiness to withdraw under certain conditions.

Iran/Iraq War

The Rumanians wanted to see and end to the fighting as soon as possible and to keep both the Soviet Union and the US out of the area. The longer the war went on the greater the likelihood of super power involvement. President Sadam Hussein had originally helped to overthrow the Khomeini regime and strengthen the influence of the military and President Bani Sadr. To some extent he had succeeded in this; but if Iran lost the war then the generals and Bani Sadr would be discredited.



Mr. Andrej discounted the likelihood of the Soviets trying to impose a Tashkent style agreement on Iran and Iraq. They were still remaining on the defensive but were increasingly inclined to believe that the Americans had decided to support Iran. President Carter's declaration in favour of the territorial integrity of Iran and his efforts to restrain King Hussein were indications of this. No doubt the possibility of securing the return of the hostages figures largely in President Carter's calculations.

The Palestinian problem

The Iraq/Iran war presented an urgent and real problem. It was about concrete international interests, namely the supply as well as the price of oil. By comparison the Palestinian problem was much less significant. The world had lived with it for quite a long time and could go on doing so for another year or two. Camp David, he said, should not be written off. It was essential to continue with the process until all the Israeli and Egyptian problems had been resolved and perhaps some concessions secured for the Palestinians on the West Bank and the Gaza. But a new framework would be needed for the next phase. It was not going to be easy to reach agreement on the West Bank with Mr. Begin but if Mr. Peres came to power he might be able to work for a solution with Jordan. He had spoken quite courageously on this subject but might prove more timid in office than in opposition.

Mr. Amery enquired about Mr. Arafat's position. Mr. Andrej said that Arafat did not exclude a federation with Jordan but wanted to negotiate it first with King Hussein on a footing of equality. He did not want to be subordinate to Hussein. On the other hand Arafat's prestige had suffered a good deal as a result of the Iran/Iraq war. It was not yet clear whether this would make him more extreme or more tractable.

At this point Mr. Andrej was summoned to the President and the meeting ended.



Note of a conversation with President Ceausescu on 16th October at the Office of the Central Committee of the Communist Party at 12 noon.

President Ceausescu Mr. Pungam

The Rt. Hon. Julian Amery, M.P.

(Mr. Pungam is one of the President's closest advisers and trouble-shooters as well as a former Ambassador to London. He acted as interpreter although not trained for this, explaining that the President wished to speak particularly frankly.)

Zimbabwe

Mr. Amery began by recalling that at their meeting last year the President had said that, thought a Marxist, Mugabe was independently minded and in no sense a Soviet agent - unlike Nkomo. It looked as if this judgement was well founded. The President said he had welcomed Mugabe's victory and believed we should find him someone we could work with though of course he faced great problems. The Rumanians had established an embassy in Salisbury but had no itention of trying to replace the British influence in Zimbabwe!

The Palestinian problem

It would be a mistake to write off Camp David. The process should be continued until all Egyptian and Israeli problems had been resolved. But a new framework would be needed to achieve an overall settlement. The participants should be Israel, Jordan, Syria and the PLO, the two super powers and perhaps some European representation. He thought Arafat was ready to join in such a process. So would the Syrians and probably King Hussein. He doubted whether Begin could be persuaded to agree and Peres, though much more flexible, remained strongly opposed to a Palestinian state. In any case there was nothing to be done about the Palestinian question until after the American elections and not perhaps for some months after that.

The Iran/Iraq War

The President said that the first priority must be to stop the fighting. He was satisfied that the Iraqis were ready to come to the Conference table and negotiate a settlement. They would be prepared to withdraw from occupied territories provided they could get satisfaction for their legitimate interests. They wanted to return to the pre 1975 position where the river was concerned. They also needed assurances that Teheran should stop trying to export the Islamic Revolution to the Iraqi/Shiite population. The President seemed convinced that the Americans were backing Iran and, like Mr. Andrej,



produced President Carter's declaration on the importance of the territorial integrity of Iran and his efforts to restrain King Hussein as evidence of this. No doubt Mr. Carter's main purpose was to secure the return of the hostages before the election date.

Afghanistan

The President wanted to see a meeting between Barbruk Karmal, President Zia and President Bani Sadr. He said he had sent representatives to look into conditions in Afghanistan carefully and was inclined to believe that Barbruk Karmal was establishing himself more successfully than was recognised in the West. Of course he had only got there by the grace of the Soviets; but he was becoming a political reality and had to be reckoned with as such. The first step was to get the parties to the conference table to discuss frontier problems and external intervention including the withdrawal of Soviet troops. Of course the Russians did not really want such a negotiation to take place at all but it should be our aim to oblige them to accept it and create a situation where they would find it difficult to avoid withdrawal.

Poland

Mr. Amery asked the President how he saw the situation in Poland. The President said that he regarded it as extremely serious. There had, of course, been some genuine economic causes of the recent troubles but these had been exploited by dissident intellectuals and by external forces notably the Roman Catholic Church. The Pope had known what was going on and should be very careful indeed.

The concept of free Trade Unions was unacceptable. There was no such thing as a free Trade Union. In West European countries nearly all the Trade Unions were affiliated to or linked with a political party. The free Trade Unions in Poland were in fact the Trade Unions of the Church. It was symptomatic that they had put the Christian Cross on their crest. It was quite intolerable that they should be pressing for religious education in the schools and religious propaganda on the media.

The Polish Government must put its own house in order. Otherwise others would do it for them and could not be blamed for doing so. Mr. Amery intervened to say that the President had been very critical of the other powers who had intervened to put the Czecoslovac house in order and overthrown Mr. Dubcek.



The President answered that the situation in Poland was quite different. The Dubcek experiment had been conducted within the framework of Socialism and, whatever one might think of it, was perfectly compatable with a Socialist system. What was going on in Poland was not a variant of Socialism but a challenge to the system as such. He had been in Czecoslovakia shortly before the invasion and was satisfied that Dubcek had never put the system in question. The Polish leaders had allowed just that to happen.

The Polish Government had the economic means to regain control of the situation and they had other means of doing so. If President Giscard D'Estaing could use the army to lift the strikers' blockade of the French ports, the Poles could take similar action. It would be much better that they should put their own house in order than to have it done for them.

The Warsaw Pact Communique - ? May 1980

Mr. Amery said he had read the last Warsaw Pact Communique very carefully. It seemed to suggest that the Soviet Union were seeking a new Summit Meeting of the great powers. Was it their intention to seek another Yalta agreement?

The President said that the Warsaw Pact Governments had envisaged a Summit meeting of all interested Heads of Government not just of the great powers.

Of course not all the nations in the world would want to attend but all those concerned with particular problems. The communique had been amended to make it clear that this was the intention. Mr. Amery enquired whether the amendment had been made at Rumanian insistance. The President replied that it was a collective agreement but that the Rumanians would not have accepted the Communique unless the amendment had been made.

The idea of a meeting of Heads of Government of the major powers had emerged from Mr. Breznev's meeting with Mr. Giscard D'Estaing in Warsaw. But the President discounted the idea of another Yalta. The Soviets and the Americans would no doubt welcome one but you could not have a meeting of great powers without China; and he was convinced the Chinese would not attend. The Japanese, the French and the Germans would also have reservations.

Ronana

CONFIDENTIAL

GR 360

CONFIDENTIAL

FM BUCHAREST 291315Z AUG

TO PRIORITY FCO

TELEGRAM NUMBER 214 OF 29 AUGUST.

INFO

UKDEL NATO

WARSAW

MOSCOW

EAST BERLIN

PRAGUE

SOFIA

WASHINGTON

SAVING BELGRADE.

YOUR TELNO 157 TO UKDEL NATO: POLAND.

- 1. MY ASSESSMENT OF THE PROBABLE ROMANIAN ATTITUDE REMAINS AS SET OUT IN MY TELNO 2008.
- 2. IT IS TRUE THAT THERE IS PLENTY OF POLITICAL AND ECONOMIC DISCONTENT IN ROMANIA, BUT ROMANIANS ARE NOT POLES AND THE CONDITIONS WHICH MIGHT ENABLE DISCONTENT TO BE FOCUSSED INTO EFFECTIVE ACTION SEEM TO BE LACKING HERE. THE ILL-ORGANISED ATTEMPT LAST YEAR TO SET UP A FREE TRADE UNION MOVEMENT WAS RAPIDLY SUPPRESSED AND SEEMS TO HAVE SUNK WITHOUT TRACE. INTERNAL SECURITY IS TIGHT AND HARSH, AND THE ROMANIAN AUTHORITIES, FACED WITH ANY DISTURBANCES, WOULD NOT BE INHIBITED (AS FOR VARIOUS REASONS THE POLES ARE) FROM DEALING WITH THEM FIRMLY AND REPRESSIVELY.
- ALTHOUGH FIRM EVIDENCE IS HARD TO COME BY, THERE SEEM TO HAVE BEEN SOME MANIFESTATIONS OF DISCONTENT IN VARIOUS PARTS OF THE COUNTRY IN RECENT WEEKS, THOUGH SOME WESTERN PRESS REPORTS HAVE PROBABLY EXAGGERATED THE SITUATION. I WOULD NOT EXPECT UNREST TO ASSUME PROPORTIONS WHICH WOULD OBLIGE THE ROMANIAN LEADERSHIP TO MAKE REAL CONCESSIONS, AND CERTAINLY NOT CONCESSIONS OF A POLITICAL NATURE. IF SOVIET INTERVENTION IN POLAND SEEMED IMMINENT, I WOULD EXPECT CEAUSESCU TO TIGHTEN UP EVEN FURTHER, IN ORDER TO OFFER NO POSSIBLE PRETEXT FOR INTERVENTION HERE.

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CONFIDENTIAL

4. THE 23 AUGUST CELEBRATIONS HERE WERE USED TO STAGE THE CUSTOMARY MASS EXPRESSIONS OF ORGANISED ENTHUSIASM IN FAVOUR OF CEAUSESCU, WHOSE PERSONALITY CULT IS AS STRONG AS EVER. HE IS DUE TO ADDRESS A MASS MEETING TOMORROW AT MOTRU, A MINING TOWN IN OLTENIA, WHEN HE WILL NO DOUBT WARN THE COUNTRY AGAINST GOING DOWN THE POLISH ROAD OF WORK-STOPPAGES ETC. WHILE HE MUST KEEP A WATCHFUL EYE ON THE POSSIBILITY OF ROMANIAN WORKERS BEING INFECTED BY POLISH ATTITUDES, HIS MAIN AND MOST WORRYING PREOCCUPATION MUST BE THE POSSIBILITY OF SOVIET OR BLOC INTERVENTION IN POLAND. COMING ON TOP OF AFGHANISTAN, THIS WOULD BE LIKELY TO BRING TO AN END THE ERA OF DETENTE WHICH HAS PROVIDED THE CONDITIONS FOR ROMANIA'S PURSUIT OF A RELATIVELY INDEPENDANT FOREIGN POLICY AND WOULD INCALCULABLY INCREASE THE DANGER OF THE INTERNATIONAL SITUATION.

FCO PASS SAVING TO BELGRADE.

(REPEATED AS REQUESTED)

HOLMER

[COPIES SENT TO NO 10 DOWNING ST] POLAND STANDARD EESD COPIES TO: CSCE UNIT CONS D PS/S OF S NAD MR DICK SED DOT MR POWNALL WED ECD(E) PS/CHANCELLOR ECON D SIR K COUZENS) TREASURY ERD MISS BAKER SEC D MR P J BULL BANK OF ENGLAND OLA CABINET OFFICE MR COTTERILL ECGD

CONFIDENTIAL

15 February 1980 ROMANIA Your letter to me of 14 February enclosed a message to the Prime Minister

from President Ceausescu. I see no objection to the President's reply being copied to Mr. Holmer in Bucharest.

I am sending a copy of this letter to Stuart Hampson (Department of Trade).

M. O'D. B. ALEXANDER

Paul Lever, Esq., Foreign and Commonwealth Office.



Foreign and Commonwealth Office

London SW1A 2AH

DECU Michael,

14 February 1980 (2)
Rhme Nimster

Romania

I enclose a reply from President Ceausescu to the Prime Minister's letter of 17 December. It was delivered to the Foreign and Commonwealth Office on 12 February by the Romanian Embassy.

If you agree, we shall send a copy of the reply to HM Ambassador in Bucharest.

I am copying this letter with enclosure to Stuart Hampson (Department of Trade).

Your or

(P Lever) Private Secretary

M DO'B Alexander Esq No 10 Downing Street

Bucharest, February 7, 1980 PRIME MINISTER'S PERSONAL MESSAGE SERIAL No. T25A/80 Your Excellency, I have received your message of the end of last year in which you recommended the offer of the "Northern Engineering Industries" (N.E.I.) concerning our cooperation in producing nuclear equipment. I would like to tell you that at present technical and economic talks are held on the basis of offers presented by several foreign firms. We will take into account the desire you have expressed that we pay appropriate attention to the offer presented by the British firm, N.E.I., but, undoubtedly, in choosing the final solution we will start from the most advantageous offers, technically and financially. At any rate, irrespective of the most acceptable offer, it is my desire to develop the Romanian-British bilateral cooperation and I am hopeful that we are going to explore and find in future fresh domains of economic, technical and scientific cooperation between our two countries. I take this opportunity to share, in my turn, the satisfaction at the good relations existing between our countries and particularly at the growth of commercial exchanges and cooperation in production especially after

the official state visit I paid to Great Britain in the month of June, 1978.

At the same time, I would like to let you know about Romania's concern, which is also my own, in connection with the tension recently created in international life.

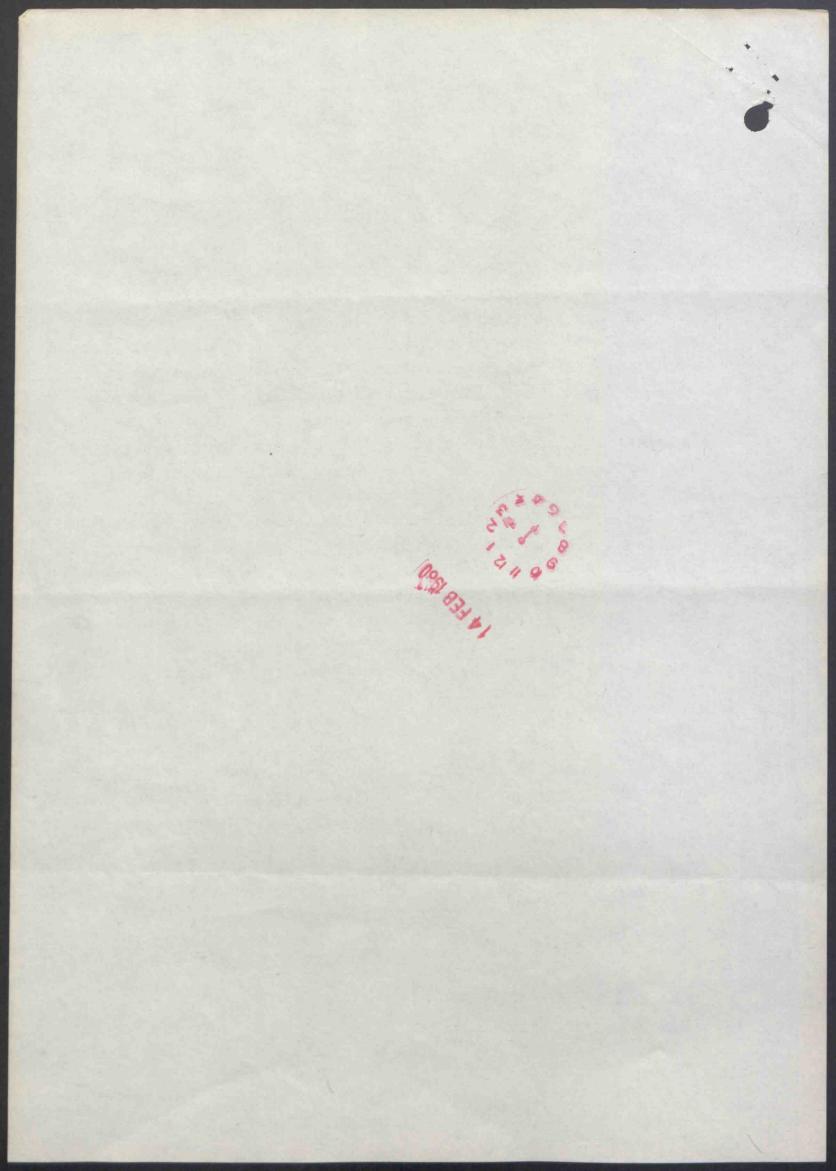
Her Excellency Mrs. MARGARET THATCHER Prime-Minister of the United Kingdom of Great Britain and Northern Ireland

In our opinion, the present circumstances require for determined and responsible actions from the part of all governments, state leaders and parties in order that the worsening of the situation should be stopped and the course of events changed towards the continuation of the policy of détente, underlain by the observance of all States' independence and sovereignty, non-interference in internal affairs, renunciation of use of force and threat of force in international relations. Romania is determined to act for this purpose and we are willing to continue our collaboration with Great Britain for the promotion of a policy of peace and détente, for the political settlement, through negotiations, of all controversial issues and conflicts among States, for putting an end to the arms race and passing on to real measures of disarmament, particularly nuclear disarmament, for continuing and intensifying the endeavours devoted to the upbuilding of security and development of cooperation in Europe, for a better preparation of the Madrid Conference that should meet the expectations of peoples, be conducive to the creation of a climate of détente, understanding and cooperation and give a strong impetus to the translation into life of the commitments assumed under the Helsinki Final Act.

I am confident that, in the spirit of the talks we have had together in Bucharest and London, the Romanian-British relations, the collaboration between our States in international relations will witness a strong development and diversification which fully correspond to the interests of the two peoples, of détente, peace and cooperation in Europe and throughout the world.

Yours sincerely,

NICOLAE CEAUSESCU





10 DOWNING STREET

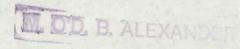
From the Private Secretary

28 November 1979

Romania: Northern Engineering Industries

I enclose a copy of a letter to me from Hugh Bartlett in the Department of Trade which was not copied to you originally. I also enclose the signed text of a letter from the Prime Minister to President Ceausescu about Northern Engineering Industries' bid for the supply of a turbine generator to Romania. I should be grateful if you could arrange for the Prime Minister's letter which, as requested by Hugh Bartlett, is undated, to be forwarded to Paul Holmer in Bucharest.

I am sending a copy of this letter and of the Prime Minister's letter to Hugh Bartlett (Department of Trade).



Paul Lever, Esq., Foreign and Commonwealth Office.

SUBJECT



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10 DOWNING STREET

THE PRIME MINISTER

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. TISH/79T

Your Enelling.

Ever since my visit to Romania in 1975, I have been following with great interest the rapid development of Romanian industry and the consequent increase in trade and co-operation between our countries. This development in trade has, I know, been greatly stimulated by the visit which your Excellency and Madame Ceausescu paid to this country in June, 1978. I was particularly pleased at the successful conclusion of the agreements covering the construction of the BAC 1-11 aircraft in Romania, and I am therefore prompted to write to you now about another project of collaboration between our countries which could be almost as important as the BAC 1-11 project to commercial relations between us.

One of the British industrialists who called on you at Buckingham Palace during your visit to this country was Sir James Woodeson, Chairman of Northern Engineering Industries. You will know that during your visit to this country NEI signed a Protocol with your Minister of Machine Building, Mr. Ion Avram, covering economic and technical co-operation. NEI has submitted to Romania an offer covering collaboration in the manufacture of large turbo generators and associated equipment and their integration and use in a national power generation system. NEI has unrivalled experience in the construction of turbogenerators for use with CANDU nuclear reactors of the

type which Romania is to use. Equally important, the company has great experience in the integration of similar very large machines into the national electricity system in this country and I understand that it is very pleased to have been asked recently to extend its bid to include the entire power generation complex except for the nuclear reactor itself. This will enable NEI to offer its extensive experience in the whole field of power generation as part of the farreaching and long-term programme of international co-operation which it has proposed.

I understand that technical and commercial negotiations have taken place between your authorities and NEI and that you intend to reach a decision in the near future. I am sure that it will be to the benefit of both our countries and to our overall relationship to conclude this project between us, and I am therefore writing to recommend to you the offer from NEI and to urge you to give it favourable consideration. I can think of no event which would augur better for the continuation of the high level exchanges between our two countries.

Dagant Halston

His Excellency Mr. Nicolae Ceausescu

DEPARTMENT OF TRADE 1 VICTORIA STREET LONDON SWIH 0ET Telephone 01-215 7877 RESTRICTED From the Secretary of State M O'D B Alexander Esq Private Secretary 10 Downing Street Whitehall 27 November 1979 SW1 ROMANIA: NORTHERN ENGINEERING INDUSTRIES Rex Browning of this Department spoke to you recently about the possibility of the Prime Minister sending a message to President Ceausescu of Romania in support of the bid by Northern Engineering Industries for the supply of a turbine generator to Romania in connection with Romania's installation of a CANDU nuclear reactor. The initial contract is now likely to be worth about £170 million and further business of more than £200m in the same field over the next 10-15 years is likely to be influenced by the award of the first contract. It has now been agreed that ECGD cover will be available for the initial contract. We have recently heard from our Embassy in Bucharest that a decision on the award of the first contract may be made soon after the end of the Party Congress on 24 November. Sir James Woodeson, Chairman of NEI has indicated his willingness to visit Bucharest preferably during the first week in December when we hope he will have a meeting with President Ceausescu. There has been a good deal of political activity by our competitors in support of their bids; President Giscard has been particularly active on behalf of the French bid. Previous Ministers in this Department have supported NEI but we now feel that in the final stages of the negotiations it would be helpful if the Prime Minister were to throw her weight also on the British side. We suggest that this should take the form of a letter from her to President Ceausescu. I enclose a draft. We propose that the letter should not be dated, so that the Ambassador can deliver it at what he considers the most opportune moment, dating it accordingly. The draft letter has been seen and agreed by the FCO. You will notice that it contains a hint that the award of



From the Secretary of State

this contract to NEI would encourage more high level exchanges but without committing us in any way about in which direction or by whom the next visit might be made.

I also attach a background note on the history of the negotiations and the present state of play.

Your Smearly Augh Buttell

H W BARTLETT Private Secretary



DRAFT LETTER

HE Mr Nicolae Ceausescu President of the Socialist Republic of Romania Carbu Room: Type for signature for And

/no date to be inserted/

ccHEMr Ion Avram,

Minister for the Machine Building Industry of the Socialist Republic of Romania

Ever since my visit to Romania in 1975, I have been following with great interest the rapid development of Romanian industry and the consequent increase in trade and co-operation between our countries. This development in trade has, I know, been greatly stimulated by the visit which your Excellency and Madame Ceausescu paid to this country in June 1978. I was particularly pleased at the successful conclusion of the agreements covering the construction of the BAC 1-11 aircraft in Romania, I am therefore prompted to write to you now about another project of collaboration between our countries which could be almost as important as the BAC 1-11 project to commercial relations between us.

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I understand that technical and commercial negotiations have taken place between your authorities and NEI and that you intend to reach a decision in the near future. I am sure that it will be to the benefit of both our countries and to our overall relationship to conclude this project between us and I am therefore writing to recommend to you the offer from NEI and to urge you to give it favourable consideration. I can think of no event which would augur better for the continuation of the high level exchanges between our two countries.



NORTHERN ENGINEERING INDUSTRIES LTD

Northern Engineering Industries are negotiating for the supply of a 680 MW turbine generator to work with a "CANDU" nuclear reactor, which is to be built in Romania using Canadian technology, and for licensing the manufacture in Romania of turbine generators. The initial value of the contract was £35m, but the Romanians have now asked that the tender include ancillary plant and technology such as switch-gear and transformers. This could increase the value of the contract by as much as £100m, and estimates of future possible business of the same type amount to over £250m over the next ten years as Romanian plans for nuclear energy require ten stations, each with 2x680 mw sets to be built by the mid-1990s.

- 2 If follow-up orders are placed, the business will be as large, if not larger than the BAC 1-11 contract which was recently won in Romania, and which was valued at some £200m.
- The company have had the fullest support from HMG at all levels in their negotiations for this business. The Chairman of Northern Engineering, Sir James Woodeson, was among the senior industrialists who accompanied Mr Edmund Dell when as Secretary of State he visited Romania in March 1978 in preparation for the State Visit of President Ceausescu in June 1978. During his March visit Sir James expressed great interest in supplying turbo-generators and turbo-generator technology to Romania and it is understood that on the personal intervention of the President a decision on the award for the supply of this equipment was deliberately delayed in order to enable the company to make a bid.
- The company quickly showed their imaginative and constructive approach to East European business by proposing to the Romanians, shortly after their Chairman's visit, a framework agreement for co-operation. This was signed during President Ceausescu's visit to the UK when Sir James attended a meeting at Buckingham Palace with the President as one of a group of senior industrialists led by Mr Dell.
- Since then, at the request of the company, Mr Dell (as Secretary of State) wrote on 17 October 1978 to Mr Oprea, Deputy Prime Minister, copying his letter to Mr Avram, Minister for Machine Building, in support of the company's bid.



His letter emphasised NEI's past relations with Romania, their expertise in working with CANDU reactors and the contribution which the award of this contract to NEI would make to the UK's desired expansion of trade with Romania. On taking up his appointment as Secretary of State, Mr John Smith, endorsed these recommendations in his letter to Mr Oprea of 4 December 1978. Our new Ambassador to Romania, Mr Holmer, when presenting his credentials to President Ceausescu recently, reemphasised the close attention that HMG was paying to the negotiations.

6 There is a world wide shortage of this type of business and the company therefore consider that winning this initial order is of major importance as they would then be well placed to secure the follow-up business.

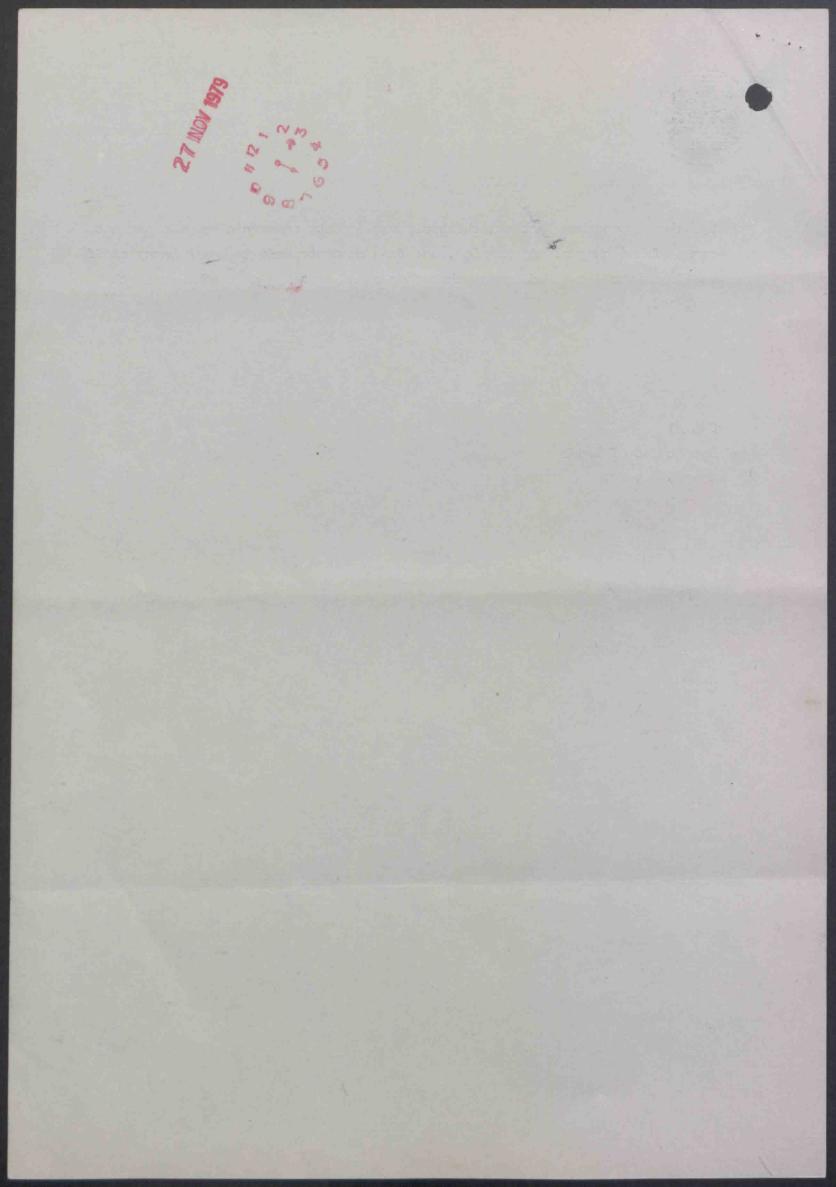
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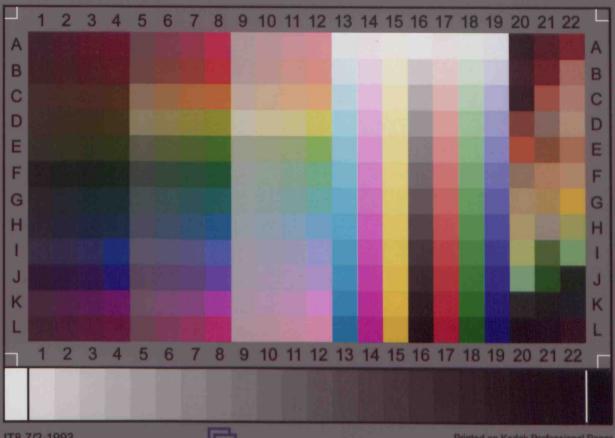
- 8 Negotiations have now reached an advanced stage. The competition comes from Alsthom of France, Brown Boveri of Switzerland and GEC (USA). Alsthom have the advantage of having licensed Romania since 1968 for manufacture of 330 MW turbine generators so that the existing turbine building plant in Romania is based on Alsthom technology and the staff are Alsthom trained. Brown Boveri are believed to have the advantage on price and Swiss commercial credit is at a lower rate of interest, albeit in a harder currency, than ECGD can match. Neither Alsthom nor Brown Boveri have, however, previously supplied turbine generators to work with CANDU reactors while NEI have been virtually the sole supplier for this purpose. GEC (USA) have come into the bidding at a very late stage. (Indeed news of their involvement was not heard of until March 1979). It would appear that the Romanians have asked GEC (USA) to bid because of this company's claim to be the world leaders in 1500rpm machines and they may have convinced the Romanians of the proven safety and reliability of this type of generator. (NEI's original offer was for machines operating at 3000 rpm). NEI have however stressed to the Romanians that they can offer exactly the same, but a 1500 rpm machine would be more expensive. With the possible exception of Canada which is in a position to supply only part of the equipment, other credit insueres have agreed with ECGD to hold the line at 10 years for the period of credit.
- 9 We now understand that the Romanians intend to move to a decision on the award of the contract in the near future. NEI appear to be well placed



technically and have met all the basic requirements commercially. We are not aware of how they stand on price, but from comments made to our Embassy staff the Romanians, it would appear that they stand a fair chance of winning the contract.

CRE4/1
Department of Trade
November 1979





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