

CONFIDENTIAL

FROM BUDAPEST 291800Z

TO IMMEDIATE FCO

TEL NO 596 OF 29/10

INFO IMMEDIATE WARSAW,  
PRIORITY WASHINGTON, PARIS, BONN.

MY TELNO 595

SECRETARY OF STATES CALL ON KADAR: POLAND.

1. FOR YOUR OWN INFORMATION AT THIS STAGE, KADAR'S COMMENTS TO LORD CARRINGTON ABOUT THE POLISH SITUATION WERE INTERESTING AND SIGNIFICANT.

2. KADAR TOOK THE INITIATIVE IN RAISING THE SUBJECT, REFERRING TO LORD CARRINGTON'S DEPARTURE FOR WARSAW LATER IN THE DAY. HE SAID THAT ACCORDING TO THE WESTERN PRESS OTHER SOCIALIST COUNTRIES WERE NERVOUS. THE POLISH QUESTION DID WORRY THE HUNGARIANS AND SHOULD WORRY US TOO, INsofar AS IT WAS AN INTERNATIONAL QUESTION. AS A DOMESTIC ISSUE, HOWEVER, IT DID NOT WORRY THE HUNGARIANS, WHO HAD BEEN THROUGH 1956 AND HAD DRAWN ALL THE NECESSARY CONCLUSIONS. NOW THAT HUNGARY HAD CREATED A DIFFERENT SITUATION TO WHAT EXISTED BEFORE 1956 THEY HAD NOTHING TO WORRY ABOUT. SOME PEOPLE WERE SAYING THAT THE HUNGARIANS WERE NOW HOLDING A DIALOGUE WITH THE TRADE UNIONS AS A RESULT OF EVENTS IN POLAND. IN FACT THIS DIALOGUE HAD BEEN GOING ON FOR 20 YEARS. THE POLES SHOULD SOLVE THEIR OWN PROBLEMS, BUT THE BASIC STRUCTURE OF POLAND WAS NOT GOING TO CHANGE, THOUGH THERE COULD AND MUST BE SOME CHANGES. DOMESTIC CHANGES IN POLAND WERE A MATTER FOR THE POLES. IT SHOULD BE A COMMON CONCERN BETWEEN US THAT POLAND SHOULD NOT BECOME AN INTERNATIONAL PROBLEM. IF IT DID, IT WOULD RAPIDLY BECOME A VERY ACUTE WORLD POLITICAL PROBLEM. IN HIS JUDGEMENT NO ONE WANTED TO 'UPSET THE CARRIAGE'.

3. HUNGARY WAS VERY INTERESTED IN INTERNATIONAL COOPERATION, AND HAD THE INTELLECTUAL AND OTHER RESOURCES FOR THIS. SHE NEEDED INTERNATIONAL CONTACTS FOR HER ECONOMIC CONSTRUCTION PLANS. WITHOUT WISHING TO DRIVE WEDGES BETWEEN WESTERN COUNTRIES, HE NOTED THAT THE WEST GERMANS HAD LONG BEEN HUNGARY'S BIGGEST TRADING PARTNER, EVEN IN POLITICALLY DIFFICULT PERIODS WHEN THEY HAD CALLED EACH OTHER EVERYTHING UNDER THE SUN. HE HAD TOLD THE FRENCH THAT THEY SHOULD INCREASE THEIR INTEREST

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3. LORD CARRINGTON SAID THAT IF THINGS WENT WRONG ON POLAND IT COULD BE THE END OF DETENTE BETWEEN EAST AND WEST AND OF EVERYTHING HE HAD DISCUSSED WITH MR KADAR. KADAR ACKNOWLEDGED THAT THIS WAS UNFORTUNATELY TRUE. THERE WAS NO INTENTION ALONG THESE LINES IN THE EAST, AND THE POSITION OF THE SOVIET UNION WAS THAT THE POLES SHOULD SORT THEMSELVES OUT. HIS IMPRESSION WAS THAT ALL THOSE WHO WERE FACTORS IN THE SITUATION TOOK THE SAME VIEW, WHETHER IN THE WEST OR THE ROMAN CATHOLIC CHURCH. THIS SENSE OF RESPONSIBILITY MUST BE RETAINED. LORD CARRINGTON SAID THAT IF IT REALLY WAS EVERYONE'S INTENTION TO LEAVE THE POLES ALONE, IT WOULD NOT BECOME AN INTERNATIONAL PROBLEM. KADAR CONFIRMED THAT THIS WAS THE RESOLUTE POSITION 'ON OUR PART' (THE TRANSLATION DID NOT MAKE IT CLEAR WHETHER HE WAS SPEAKING FOR HUNGARY OR THE WARSAW PACT).

4. LORD CARRINGTON WILL TAKE AN EARLY OPPORTUNITY TO BRIEF HIS COLLEAGUES PERSONALLY ON THESE EXCHANGES. PLEASE TAKE NO ACTION MEANWHILE.

CARTLEDGE

CONFIDENTIAL

FROM BUDAPEST 291815Z

TO IMMEDIATE FCO

TEL NO 595 OF 29/10

PS/LPS  
PS/IN Blakes  
PS/PUS  
Mr Ballard  
Mr Fergusson. mb

Ha EESD

Rc

[FCO DIST]

INFO IMMEDIATE WARSAW, WASHINGTON, PARIS, BONN, UKDEL NATO  
PRIORITY LUXEMBOURG, EAST BERLIN, MOSCOW, BUCHAREST,  
PRAGUE, SOFIA, BELGRADE AND MADRID

SECRETARY OF STATE'S MEETING WITH MR KADAR

1. MR KADAR SAID THAT 1980 HAD BEEN A DIFFICULT YEAR INTERNATIONALLY. HUNGARY HAD USED HER INFLUENCE, SUCH AS IT WAS, TO MAINTAIN THE INTERNATIONAL DIALOGUE, HOWEVER ACUTE THE ISSUES. THERE WERE SOME RECENT SIGNS OF IMPROVEMENT, EG THE MEETINGS BETWEEN BREZHNEV, GISCARD AND SCHMIDT; THE CONTINUATION OF THE MBER TALKS IN VIENNA; AND SOVIET/AMERICAN CONTACTS ON TNE. LORD CARRINGTON'S VISIT ALSO REFLECTED A DESIRE ON BOTH SIDES TO MAINTAIN CONTACTS. HE UNDERSTOOD THAT TALKS WITH MR PUJA HAD BEEN CORDIAL, EVEN THOUGH FULL IDENTITY OF VIEWS WAS NOT TO BE EXPECTED.

2. HE WAS GLAD THAT LORD CARRINGTON HAD SAID THAT RELATIONS BETWEEN BRITAIN AND HUNGARY WERE UNDISTURBED AND HAD AGREED THAT BILATERAL RELATIONS SHOULD BE FURTHER DEVELOPED. THERE HAD ALSO BEEN AGREEMENT THAT POLITICAL SOLUTIONS SHOULD BE SOUGHT IN AREAS OF TENSION. HISTORY SHOWED THAT EVEN COMPLEX PROBLEMS COULD BE SOLVED BY A RESPONSIBLE AND SOBER ATTITUDE. IN ITS ABSENCE, THERE WAS A RISK THAT WE MIGHT ALL GO INTO A LONG DARK TUNNEL WITHOUT KNOWING WHAT WAS AT THE END, WITH EVERY COUNTRY GRASPING FOR NATIONAL ADVANTAGE. THIS RISK HAD ONCE BEEN A FANTASY, BUT WAS NOW A REALITY.

3. HUNGARY WAS VERY INTERESTED IN INTERNATIONAL COOPERATION, AND HAD THE INTELLECTUAL AND OTHER RESOURCES FOR THIS. SHE NEEDED INTERNATIONAL CONTACTS FOR HER ECONOMIC CONSTRUCTION PLANS. WITHOUT WISHING TO DRIVE WEDGES BETWEEN WESTERN COUNTRIES, HE NOTED THAT THE WEST GERMANS HAD LONG BEEN HUNGARY'S BIGGEST TRADING PARTNER, EVEN IN POLITICALLY DIFFICULT PERIODS WHEN THEY HAD CALLED EACH OTHER EVERYTHING UNDER THE SUN. HE HAD TOLD THE FRENCH THAT THEY SHOULD INCREASE THEIR INTEREST

IN EASTERN EUROPE, AS WELL AS THEIR TRADITIONAL TIES IN EG AFRICA. THIS WENT FOR BRITAIN TOO. THERE WAS A KIND OF INERTIAL IN THIS FIELD. IT WAS UNTHINKABLE THAT EAST AND WEST EUROPE SHOULD NOT DEVELOP CLOSER LINKS. HUNGARY'S POSSIBILITIES WERE NOT UNLIMITED, BUT 'A SMALL FISH WAS A GOOD FISH' AS THE GERMAN PROVERB HAD IT. HE SAW NO IDEOLOGICAL OBSTACLES TO CLOSER ECONOMIC CONTACTS.

4. LORD CARRINGTON SAID HE WOULD NOT DISSENT FROM ANYTHING MR KADAR HAD SAID. THERE WAS TOO LITTLE REAL CONTENT IN OUR RELATIONS: WE NEEDED TO PUT FLESH ON THE BONES. (KADAR AGREED, AND SAID THAT THIS INCLUDED CULTURE. HUNGARY PARTICULARLY WELCOMED TOURISTS). EVEN WHEN HE AND MR PUJA HAD DISAGREED, THEY WANTED THE SAME RESULTS, EG ON DETENTE AND ARMS LIMITATION. BRITAIN TOO WAS A EUROPEAN COUNTRY. AND AGREED WHOLEHEARTEDLY ON THE IMPORTANCE OF DETENTE. HOWEVER, DETENTE NEEDED TO BE SEEN IN THE ROUND. THE SEARCH FOR DETENTE IN EUROPE SHOULD NOT BE ABANDONED, BUT THE LACK OF TRUST WHICH EVENTS OUTSIDE EUROPE HAD CAUSED INEVITABLY AFFECTED THE ATMOSPHERE IN EUROPE ITSELF. AFGHANISTAN WORRIED THE WEST DEEPLY. MAYBE OUR FEARS WERE GROUNDLESS, AND WE HAD MISINTERPRETED SOVIET MOTIVES. BUT IF AFGHANISTAN COULD BE SETTLED IN A WAY WHICH SATISFIED THE FEARS AND DOUBTS OF THE SOVIET UNION, WHICH WAS ACCEPTABLE TO PAKISTAN AND IRAQ, AND WHICH REASSURED THE WEST, THE GREATEST SINGLE FACTOR OF TENSION WOULD BE REMOVED. HE DID NOT KNOW WHAT WOULD HAPPEN TO THE SOVIET OR AMERICAN LEADERSHIP IN THE NEXT YEAR. SMALLER COUNTRIES HAD A ROLE IN KEEPING THE SUPER POWERS ON THE RIGHT COURSE.

5. KADAR SAID THAT THERE WAS AN INTER-REACTION BETWEEN EVENTS INSIDE AND OUTSIDE EUROPE. THE HELSINKI AGREEMENTS HAD BEEN A POSITIVE BEGINNING, AND HAD EXERCISED A POSITIVE EFFECT OUTSIDE EUROPE AT THE TIME OF THEIR CONCLUSION. WE SHOULD TRY TO ENSURE THAT MADRID CONTINUED WHAT HAD BEEN BEGUN IN HELSINKI. WE COULD ARGUE THERE, BUT SOMETHING, HOWEVER SMALL, SHOULD COME OUT OF IT. THERE HAD ALSO BEEN SOME SMALL RESULTS ON MBFRS BUT WE WERE BOGGED DOWN ON DATA QUESTIONS. EUROPE WAS WVEN NOW ONE OF THE MORE PEACEFUL REGIONS, BUT THE MAIN FRONT LINE WAS STILL HERE AND THE SITUATION IN EUROPE AFFECTED EVERYTHING ELSE. HE ACCEPTED LORD CARRINGTON'S EXPRESSION OF CONCERN OVER AFGHANISTAN: THIS WAS THEREFORE A SUBJECT OF CONCERN TO THE HUNGARIANS TOO. A POLITICAL SOLUTION MUST BE FOUND, ESPECIALLY AT A TIME WHEN THE MIDDLE EAST DISPUTE HAD NOT BEEN RESOLVED, AND WHEN THE IFFANIAN REVOLUTION (WHICH WAS NOT THE EAST'S CREATION) WAS CONTINUING. THE REVOLUTION HAD HOWEVER CREATED A FUNDAMENTALLY DIF-

FERENT SITUATION IN THE REGION, WHICH HAD BEEN FURTHER COMPLICATED BY THE IRAN/IRAQ WAR. HE DID NOT KNOW WHETHER THE WEST HAD HAD A HAND IN THIS WAR, THOUGH HE HAD SEEN NO SIGN OF IT SO FAR. THE WAR WAS A COMMON HEADACHE TO EAST AND WEST.

Y. HUNGARY ACCEPTED THE SOVIET VIEW THAT AFGHANISTAN AFFECTED HER SECURITY. IF WE WERE NERVOUS ABOUT THE NEW SOVIET LEADERSHIP, WE SHOULD CROSS OUR FINGERS FOR THE HEALTH OF BREZHNEV WHO WAS A MAN OF PEACE. SPEAKING RESPONSIBLY AND WITH AGREEMENT OF THE SOVIET LEADERSHIP, BREZHNEV HAD RECOGNISED IN AN INTERVIEW IN PRAVDA IN JANUARY THIS YEAR THAT THE WEST'S NERVOUSNESS OVER GULF OIL WAS UNDERSTANDABLE. HE HAD, HOWEVER, GONE ON TO ASK WHY IN THAT CASE THE WEST ITSELF WAS UNDERMINING THE SECURITY OF THE OIL ROUTES. THE IMPLICATION WAS THAT THE SOVIET UNION UNDERSTOOD THE WEST'S VITAL INTERESTS, BUT DID NOT WANT THE WEST TO COMPLICATE THE SITUATION IN THE REGION. THERE WERE NOW UNCOMFORTABLY LARGE FORCES THERE, WITH AMERICAN BASES IN EGYPT AND SAUDI ARABIA AND SOVIET TROOPS IN AFGHANISTAN. WE SHOULD REMEMBER THAT THE RUSSIANS REFLECTED AND CALCULATED LIKE OTHER PEOPLE, AND DID NOT SIMPLY LOOK FOR TARGETS TO ATTACK.

7. LORD CARRINGTON REVERTED TO THE NEED FOR TRUST. BREZHNEV RECOGNISED WESTERN CONCERNS, BUT DID NOTHING TO REMOVE THEM.

8. IN A BRIEF DISCUSSION OF THE SITUATION IN POLAND KADAR STRESSED AND LORD CARRINGTON STRONGLY AGREED, THAT THE POLES SHOULD BE LEFT TO RESOLVE THEIR OWN PROBLEMS. DOMESTIC CHANGES OTHER THAN TO THE BASIC STRUCTURE, WERE NECESSARY AND INEVITABLE BUT THIS WAS A MATTER FOR THEM. (AT HIS SUBSEQUENT PRESS CONFERENCE LORD CARRINGTON SAID THAT THE POLES SHOULD BE ALLOWED TO SETTLE THEIR INTERNAL PROBLEMS WITHOUT INTERFERENCE AND EXPRESSED THE HOPE THAT ALL OTHER COUNTRIES TOOK THE SAME VIEW).