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BRITISH EMBASSY
BUDAPEST

29 January 1980

C L G Mallaby Esq
EESD
FCO

1. Mr Buncher to see

→ 2. Mr Facey *with*

My dear Christopher,

Bpca

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AFGHANISTAN, TNFs AND UK/HUNGARIAN RELATIONS

I am sending in this bag the usual despatch reporting the presentation of my credentials to Vice President Trautmann on 23 January; this contains a summary of one of my initial calls, on Foreign Minister Puja. You may wish to have, for the record, a fuller account of my discussion with Mr Puja, which contained more substance than one would expect from a courtesy call, and also of my first call on Deputy Foreign Minister János Nagy. I enclose copies of the records.

2. So far as I can judge, most Hungarians, official and non-official, regard the Afghanistan crisis as an unexpected and unsought threat to the stability of East/West relations, in which they have a significant economic investment and on which their limited capacity for specifically national behaviour largely depends. To the extent that Moscow allows, they will keep their heads down and hope for the best. Those who, like Mr Puja himself and some officials and party functionaries, have felt



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compelled to defend the Soviet Union's actions in Afghanistan have tended to adopt one or the other variation of the same line, designed to pin responsibility for the crisis on the West. The first variant, deployed by Mr Puja with me, is that Soviet "assistance" to Afghanistan was an entirely legitimate response to a genuine request from the true representatives of the Afghan people, who were faced with internal instability resulting from outside interference: NATO, according to this line, has seized on the situation in Afghanistan to justify a culmination of its attempt decisively to change the world balance of power to its advantage. (Recent statements by President Carter and Defence Secretary Brown are much quoted in support of this argument.) The second variation, deployed in terms by MFA officials with the US Chargé here, is that by rejecting Brezhnev's olive branch of troop withdrawals and missile reductions and by pressing ahead regardless with the decision on TNF modernisation, NATO undermined Brezhnev's position in the Politburo, discredited his détente policies, and allowed the military to seize the initiative in Soviet decision-making.

3. The Hungarian media are naturally echoing or simply reproducing Soviet attempts to depict the UK as being isolated from her European allies in her reaction to events in Afghanistan, but there is no evidence so far of any kind of discrimination against us in the bilateral field. On the contrary, as I have reported elsewhere, all the evidence is



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of a genuine desire to continue business as usual.

4. I am sending copies of this letter and its enclosures to Michael Tait, CSCE Unit, and to Chanceries at Belgrade, Bucharest, East Berlin, Moscow, Prague, Sofia, Warsaw, Washington, UKDEL NATO and UKREP Brussels.

Yours ever,

Bryan -

(Bryan Cartledge)

SUMMARY RECORD OF A CALL BY HM AMBASSADOR ON THE HUNGARIAN FOREIGN MINISTER AT THE MINISTRY OF FOREIGN AFFAIRS, BUDAPEST, ON 22 JANUARY 1980 AT 2 PM

1. Mr Puja recalled that he had met Mr Cartledge before and Mr Cartledge said that his last visit to Budapest had been a very short one with Mr Callaghan. Mr Cartledge said that he now looked forward to getting to know the Hungarian countryside and provinces, as well as the capital. He said that he greatly appreciated the warmth of the welcome he had received in Budapest and said he was grateful to Mr Puja for receiving him so soon. Mr Puja said that the Ambassador would present his credentials to the Vice President on 23 January. He explained that President Losonczi was still convalescent.
2. Mr Puja said that there were no problems in bilateral relations. Mr Parsons had worked hard and not without success to build them up, but they had to be maintained and further developed. Mr Puja said that new possibilities should be identified in the economic, political and cultural fields. The international situation was more complicated even than a year ago but bilateral relations need not deteriorate. The international climate had seen many storms before. Mr Puja said that he personally had been dealing with foreign affairs since 1953 and could recall times when the socialist and capitalist countries had hurled accusations at each other. Those times had passed and he hoped that the present storm would pass soon - laws of life dictated that it should. He said that the present tendency in international affairs had been perceptible since 1975.
3. Mr Cartledge said that he was glad to be dealing again with Anglo/Hungarian affairs after 2½ years separation from them. He was aware of the valuable work done by his predecessor and by the Hungarian Ambassador in London to build up links between the two countries, and was glad to know that some of the old problems in Anglo/Hungarian relations had been resolved. Mr Cartledge said he believed Mr Puja would agree that the present state of Anglo/Hungarian relations provided a good basis for further advance and it was his intention to help in that during his stay in Hungary.



4. Mr Cartledge agreed that the international scene did not look promising. Both sides had to hope that there would be no developments which could have an unfavourable effect on the development of our bilateral relations. He said he could see nothing of that kind at the moment and he looked forward to working to maintain the momentum that had been achieved in their development. He thought that the Hungarian Government, like HMG, was conscious that détente was indivisible. The representative of the current EEC Presidency in Budapest would be sending to the Ministry a copy of the Declaration about Afghanistan by the EEC Foreign Ministers. Events such as those in Central Asia could not but have an effect on détente as a whole, and must have caused as much concern in Central and Eastern Europe as in Western Europe. Mr Cartledge emphasised his hope that the climate would soon improve again and repeated that it was his personal concern to develop Anglo/Hungarian relations, with the help of the Ministry of Foreign Affairs and other Hungarian ministries.

5. Mr Puja said that he fully agreed that the recent results in the field of bilateral relations should be maintained. Hungary had another view about the cause of the recent international crisis and saw one central problem at the root of it. This was the attempt by NATO and the USA to achieve over-all world superiority of power. The measures taken in the West using the pretext of Afghanistan sprang from decisions taken in 1978. The recent NATO TNF decision was another sign of this. Mr Puja contrasted Western reactions to the Soviet moves in Afghanistan to their indifference to the use of French troops in overthrowing Emperor Bokassa in the Central African Empire. The West's strategy of seeking superiority over the Soviet Union and of surrounding that country caused Hungary and her allies concern. Until Western strategists saw that their policy would not be successful there would always be problems.

6. Mr Puja claimed that Western strategists said that they had to move because of events in Africa: they saw Moscow's hand in everything. In Angola and Ethiopia there had been foreign intervention before the Russians and the Cubans intervened also. Mr Puja said that each side

/knew

knew well what the other held in missile resources. The Americans, when challenged, had admitted that there was a balance but had claimed that they were concerned about what the situation would be in a few years time. Mr Puja said that people alleged that the Soviet Union wished to cut the West's oil lines but this was untrue. The USSR had only intervened in Afghanistan when requested to do so by the Government of that country. He said that of course the West could try to surround the USSR but this would not do any fundamental harm to the socialist countries though it would cause the international climate to deteriorate and harm international security. The only way forward was for each side to treat the other as equals. Mr Puja said that he thought that another element in the present Western press campaign was that it was an attempt to frighten the Iranians and to restore the lost US position in Iran.

7. Mr Puja said that it was worth re-reading the works of Mr Brzezinski. The latter believed that there was a possibility of cooperation between capitalist and socialist countries but that there was simultaneously competition between them. Mr Puja said he agreed with that, but he differed from Brzezinski in wanting only peaceful cooperation. Cooperation between the socialist and developed capitalist countries should be a basis for their relations. If that relationship prevailed - although things in the Third World were more unsettled - that would be the basis for a more favourable international climate. He said that the West's attempts to negotiate from strength had failed in the past and it would certainly fail now.

8. Mr Puja said that the USSR would not allow itself to be dealt with by an opponent from a position of power. We should aim at equality and accept that a balance of power alone gave scope for the development of cooperation. The recent US measures could not do any real harm to the Soviet Union. The Soviet people would react like the British people had done during Hitler's blitz on London - with strengthened resolve. The only effects of holding up the sales of grain and computers would be to invalidate all agreements and reduce any incentive to make agreements in future. Mr Puja said that it was easy to break china but difficult to mend it again. Mr Puja said that he did not expect to convince

/Mr Cartledge

Mr Cartledge , but wanted him at least to know Hungary's views.

9. Mr Cartledge said that he was grateful for the Minister's thorough exposition. He did not wish his first call to become too controversial but would like to make a few points. HMG did not share the view that events in Afghanistan were the culmination of any long term deterioration in the international situation. We could see no credible or plausible relationship between Afghanistan and NATO's recent decision to modernise its TNF forces.

10. On Afghanistan, Mr Cartledge said that HMG considered recent events there to be a flagrant intervention by force in the affairs of an independent, non-aligned country. This had not been justified by any real threat in that country, or in the region, to the Soviet Union's security. Whatever the Russians' motives, they could not conceivably justify military intervention. Mr Cartledge said that although he did not accept any analogy between Afghanistan and Emperor Bokassa's fall, he had to point out that in the latter case French troops had been withdrawn very quickly indeed. We had to hope that the same would be true of the Soviet troops in Afghanistan. Mr Cartledge pointed out that many non-aligned countries, especially those near Afghanistan, shared the West's concern. They had good reason to think that if such things could happen in an era of détente, then détente provided them only with very fragile security.

11. Mr Cartledge said that as regards breaking china, he thought that if the Soviet Union had known how much would be broken by intervening in Afghanistan, their decision might have been different. Western Governments were taking certain steps in the hope of preventing further such interventions. HMG and other Western Governments had for many years wanted cooperation between capitalist and socialist countries. That had been the motor of the détente process but there had always been one area in which the Soviet Union had a different perception of détente: its belief that it could take action outside its own borders without disturbing the basis of détente. Both present and past British and US Governments and other Western Heads of Governments had tried to convince the Soviet leadership that this was not the case. They had consistently emphasised that détente was indivisible. Afghanistan had shown that they had failed to get their point across and so now they were having to speak more forcibly

12. As to events in Europe, Mr Cartledge said that NATO's TNF decision had not been an attempt to gain regional superiority over the Soviet Union. He pointed out that no US/USSR talks on the limitation of strategic nuclear weapons had taken place until the Soviet Union had achieved approximate parity in that field with the United States. Then the SALT I and SALT II Treaties had been negotiated. The West, similarly, aimed not at negotiating from strength, but at negotiating from equality. In medium range nuclear weapons the USSR had achieved a very considerable qualitative superiority in Europe by the replacement of SS4 and SS5 missiles by SS20s. In such a position of superiority the USSR had no reason to negotiate meaningfully. Mr Cartledge spoke of the purpose of a deterrent and said that in the TNF field inequality had reached the point that mutual deterrence was no longer fully effective. NATO aimed to achieve a basis of parity from which negotiations could begin. The recent NATO communiqué contained a firm offer of negotiations. It seemed to be the Russians, not the West, who were willing to negotiate only from a position of superior strength. Mr Cartledge said that events in Afghanistan had made the international climate much more difficult, which HMG regretted. However, we hoped that the USSR would quickly withdraw from Afghanistan.

13. Mr Puja said that the Ambassador had not mentioned the nub of the question. As Mr Brown had admitted, the USA was striving for nuclear superiority. There had been a whole series of US measures demonstrating their attempts to win this advantage. When Mr Carter had met President Brezhnev in Vienna last year, Carter had said he accepted there was an approximate balance of forces in Europe. The recent NATO communiqué spoke only of land-based rockets but had left out submarine-based rockets, aircraft capacity and the British and French nuclear forces. Mr Puja said that if all these forces were added up it was possible to prove that there was already a kind of parity.

14. Mr Puja said that Hungary was not a great power but he knew that the Soviet view was that the NATO communiqué had little real content. NATO's decision to modernise its TNF forces had tilted the balance of power in its favour. The USSR was not ready to negotiate in these circumstances unless NATO suspended or modified its decision. If this did not happen, the USSR's only alternative would be to increase its forces.

15. On Afghanistan, Mr Puja claimed that the Government of Afghanistan had called for the Soviet forces. It had not been an appeal by an individual but from a collective body. If the Russians were asked to leave, they would leave as they had from Egypt and Somalia. There was a difference between them and the Americans, who negotiated military treaties valid for 99 years. However, Mr Puja added that the basic question between Britain and Hungary was that of further developing their bilateral relations. He thought it was useful that differences could be discussed in a moderate way and it was valuable to become acquainted with either sides' view points. Mr CartEdge said that he looked forward to having further frank discussions with Mr Puja. Mr Puja said that his Ministry was at the Ambassador's disposal whenever he wished to call on it, either in connection with bilateral or multilateral questions. The meeting ended at 3.20 pm.

BRITISH EMBASSY

BUDAPEST

25 January 1980

SUMMARY RECORD OF AN INTRODUCTORY CALL BY HM AMBASSADOR ON DEPUTY FOREIGN MINISTER, MR JANCOS NAGY, AT THE FOREIGN MINISTRY, BUDAPEST, ON 21 JANUARY 1980 AT 3 PM

1. Mr Nagy welcomed Mr Cartledge and asked him how long it was since he had been following the details of Anglo/Hungarian affairs. Mr Cartledge said that the interval had been of about two and a half years but he was pleased to find that during that time several of the old problems had been solved. Mr Cartledge said that he thought that there was quite a good programme for the remainder of this year in Anglo/Hungarian relations. Asked about this by Mr Nagy, Mr Cartledge mentioned the exchange of visits by journalists, possible visits by Dr Kopolyi, Mr Veress and Cardinal Lekai to Britain, and of Lord Shackleton and Lord Limerick to Hungary.
2. Mr Nagy commented that Mr Cartledge had arrived at a time when the bilateral climate was not bad, but the wider international climate was not so good. Mr Nagy said that he hoped that the trend of our relations would not be affected. Mr Cartledge said that one had to be conscious of the wider international situation. No-one in any part of Europe could fail to be deeply concerned by events in Afghanistan. He hoped that nothing would happen to affect the progress of Anglo/Hungarian relations. But both HMG, and their predecessors, had many times emphasised their belief that détente was indivisible. It would be over-optimistic to assume that Anglo/Hungarian relations could be permanently immune to outside influences. Mr Cartledge said that it had been noted in London that Hungary's official reactions to the events in Afghanistan had been neither immediate nor enthusiastic. He took this to indicate that Hungary shared Britain's concern about recent events.
3. Mr Nagy said that Hungary's concern was for détente. It would be misleading for people in Britain to imagine that the Hungarian Government's position was not a very different one from theirs over Afghanistan: Hungary's concern was about something different. However, it was possible to discern a convergence of opinions about the future of détente. The Hungarian Government fully agreed that Anglo/Hungarian relations should be developed wherever this was possible and mutually advantageous. He said that Hungary would never take the initiative in causing relations with countries in Western Europe or North America

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to deteriorate. Détente had greatly helped in building up those relations over the past decade; the Hungarian leadership was convinced that what had been achieved should be the firm basis for any further improvement.

4. Mr Nagy said that Mr Cartledge would find as he met Hungarian leaders that they would all express readiness to make progress in Anglo/Hungarian relations. The Hungarian authorities were satisfied with the efforts both sides had made in the past three or four years to develop them. It would be sad if they were to relapse to their earlier state.

5. Mr Cartledge said that he was pleased to know that this common ground existed. After he had referred to the recent visit by Mr Tait to Budapest, and preparations for the Madrid CSCE Conference, Mr Nagy said that there were matters in which we had to work together. There was no real alternative to this. We had to exchange views. Madrid would be affected by the international climate but, on the other hand, the Conference would not have so much potential value if the international climate were free of problems.

6. After asking Mr Cartledge about the presentation of his credentials, Mr Nagy asked about the situation in Britain. Mr Cartledge said that people were preoccupied with Afghanistan - the ordinary man in the street was worried. At Mr Nagy's request, Mr Cartledge then described recent developments on the industrial scene in Britain, and the prospects for a solution to the steel strike. Mr Nagy showed interest in the impact of North Sea Oil on the British balance of payments.

7. In discussing the internal scene in Hungary, Mr Nagy said that Hungarians accepted the need for price rises providing goods were available. They became more upset if there were shortages. He admitted that there were some shortages because of the "clumsiness" of Hungarian economic management. In particular, there were shortages of construction materials and timber but, in general, supplies were reasonable and there was no rationing. Referring especially to petrol, he said that there was a perennial argument whether to govern the

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market by a form of rationing or by economic means, but the latter always prevailed. After some further discussion about the scope for cooperation between Britain and Hungary in the energy field, particularly as regards technical cooperation over the liquification and gasification of lignite, the meeting ended at 3.40 pm.

BRITISH EMBASSY
BUDAPEST

22 January 1980