

Foreign and Commonwealth Office

London SW1A 2AH

27 May 1980

B G Cartledge Esq CMG BUDAPEST

Mry Jean Dr

RECEIVED IN 15 27 MAY 1980

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SECRETARY OF STATE'S MEETING WITH PUJA

- 1. Thank you for your letter of 19 May. I understand and share your views.
- 2. I am sorry that the intention to have a substantive conversation was not made clear to you. Had you offered to come to Vienna, I am doubtful that your offer would have been accepted. The rule, of course, is that travel should be kept to a minimum and the Secretary of State seems to be very keen on that principle as far as his own delegations are concerned.
- 3. George Warden says there is no sign of any reluctance on the Secretary of State's behalf about the trip to Budapest in October. Lord Carrington's reaction to the meeting with Puja, as you, I think, guessed, was one of resignation rather than disappointment. When we come to work on the programme for the visit, I think it will be as well to have as much as possible of Hungary and relatively little of Puja!

Jan- s 2 m

Christophan

C L G Mallaby Eastern European & Soviet Department



C L G Mallaby Esq EESD FCO



BRITISH EMBASSY
BUDAPEST

19 May 1980

Mr. Battscam te. Rept sent her

My dear Christopher,

SECRETARY OF STATE'S MEETING WITH MR PUJA IN VIENNA $\widehat{\mathcal{E}}_{\mathcal{N}}$

I was very grateful to the Private Office for the prompt and full account in Vienna telegram No 171 of the Secretary of State's meeting in Vienna on 16 May with Mr Puja. I am sure that, unfortunately, it conveyed the flavour of the encounter very well.

2. I had not, I am afraid, appreciated from a brief and necessarily garbled telephone conversation with Robert Facey on 14 May, that Lord Carrington had it in mind to have a substantial discussion with Mr Puja rather than the brief exchange of courtesies which we hoped he would find time for (my telegram No 220). Had I done so. I should of course have offered to make myself available for the meeting if required and I trust that my failure to do so was not put down either to lack of interest or to inertia! Not, I think, that I could have performed any useful function: but I would have wished to reinforce the point which I am sure the Department's briefs had already stressed, namely that Hungary, as a country worth taking an interest in, should not be judged by Mr Puja. From our point of view, Puja is Hungary's unacceptable face. From the Hungarian point of view, if Puja did not exist it would be necessary to invent him. Indeed, if (as has been rumoured but which I personally doubt) Puja were to be retired after the June elections, I would expect him to be replaced from the same mould. His dogged super-orthodoxy makes him. unfortunately, a very necessary exhibit in Hungary's

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shop window. For so long as Puja travels round the world making speeches such as that which he recently delivered in Delhi and speaking about, for example, Afghanistan as he spoke to Lord Carrington on 16 May, the Hungarians can scarcely be accused of the more unforgivable tendencies in Moscow's Index. What makes Puja depressing is that he really believes, I am sure, every word he says; but he is a useful alibi.

- 3. You will conclude from the above, correctly, that I am slightly apprehensive about the effect of the Vienna encounter on the Secretary of State's attitude to his visit to Budapest at the end of October. I hope he can be reassured that we shall do all we can to make it possible for him to meet many Hungarians other than Mr Puja and that they will all be more rewarding. Indeed, the fact that Puja has, in Vienna, played several tracks of his gramophone record already may make it easier to avert a repetition in Budapest, especially if he has done the same to Julian Bullard in the interim. By contrast with Romania and to some extent, Poland, foreign policy, if such it can be called, is the least interesting area of Hungary's governmental activity. We shall do all we can in October, to ensure that Lord Carrington sees as much as possible of the remainder.
- 4. In the meantime, the Vienna encounter has given us useful material for deployment here with the Foreign Ministry.

 Yours eve,

Brvan Cartledge

PS

MEETING BETWEEN SECRETARY OF STATE AND THE HUNGARIAN FOREIGN MINISTER IN VIENNA ON 16 MAY

1. As requested I submit a brief about bilateral relations with Hungary for a possible meeting. I also submit a personality note on Mr Puja.

RECEIVED IN REGISTRY NO. 15
19 MAY 1980

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C L G MALLABY Eastern European and Soviet Dept

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cc:

Mr Bullard Mr Fergusson

Mr Paja med e a not very
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MEETING BETWEEN THE SECRETARY OF STATE AND THE HUNGARIAN FOREIGN MINISTER: VIENNA 16 MAY 1980

POINTS TO MAKE

Political Relations

1. Bilateral relations very good. Much looking forward to visit in October. Wish to develop relations with Hungary. Particularly important to have contacts at a time of increased international tensions.

Commercial Relations

2. Commercial relations also good but would welcome further increase in trade. Understand that Lord Limerick (President of British Overseas Trade Board) has just had useful visit.

Chairmanship of Joint Commission (if raised)

3. This results from a re-adjustment of responsibilities in the Department of Trade. No question of downgrading importance we attach to trade with Hungary.

Cultural Relations

4. Cultural exchanges also important and understand these going well. The Great Britain/East Europe Centre plays a useful role.

"You mentioned Vietnom. The U.S. drew the proper conclusions and got ant. It good example for Russians."



MEETING BETWEEN THE SECRETARY OF STATE AND THE HUNGARIAN FOREIGN MINISTER: VIENNA 16 MAY 1980

ESSENTIAL FACTS

Political Relations

- 1. The Hungarians have agreed to 28-29 October for the Secretary of State's visit. It will be the first by a Foreign and Commonwealth Secretary to Hungary since Mr Callaghan in July 1975, and the first by any British Minister since the General Election. Mr Puja visited Britain in February 1977.
- 2. Bilateral Relations are good but relatively insubstantial. The Hungarians would like more frequent high level exchanges and have been pressing for some time for a visit by the Secretary of State and/or the Prime Minister. Like the other East Europeans they have had little option but to support the Soviet intervention in Afghanistan but have done so with obvious reluctance and delay. They are particularly concerned about the effects of the intervention on East/West relations and their own room for manoeuvre to develop their relations with the West.

Commercial Relations

3. UK exports to Hungary have been nearly static for several years. In 1979 they amounted to £60.9 million, mainly chemicals and general industrial machinery. Uk imports from Hungary in 1979 were £51.7 million, mainly food, textiles and clothing and electrical machinery. Lord Limerick, Chairman of the British Overseas Trade Board, visited Hungary in March. The annual Joint Commission is to take place in London in June. Owing to changes in the Department of Trade the chairmanship has been downgraded on our side from Deputy Under Secretary to Under Secretary and there are signs that the Hungarians may take offence. Mr Parkinson has invited the Hungarian Minister of Trade to visit Britain towards the end of the year.

Cultural Relations

4. Cultural exchanges are governed by a cultural agreement renegotiated every two years, most recently last November. Exchanges are going well but are this year having to be cut

/by 30 per cent

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by 30 per cent as a result of the reductions in British Council expenditure. The Great Britain/East Europe Centre promotes exchanges, outside the scope of cultural agreement. Internal Affairs

5. Hungary's decentralised economic system is the least orthodox in Marxist-Leninist terms in the Warsaw Pact. The political system is among the least repressive.

(FRIDGE - ESH PUYAH)

PUJA, FRIGYES

Minister for Foreign Affairs: Member of the Central Committee.

Born 1921. He trained as a typesetter and worked as a printer between 1934 and 1945. He joined the Party in 1944 and worked in local Party organisations for a number of years before joining the Foreign Service. His first important post was as Minister to the Scandinavian countries, resident in Stockholm between 1953 and 1955. He then served in Austria from 1955 to 1959 before being appointed Deputy Foreign Minister responsible for Western Europe and the Americas. In 1963 he became Head of the Foreign Affairs Department of the Central Committee and became a member of the Central Committee in 1966. He returned to the MFA in 1968 as First Deputy Minister and in 1973 succeeded János Péter as Minister. He paid an official visit to Britain in 1972 and was host to Sir Denis Greenhill and to Mr Julian Amery in 1973. He received Mr Hattersley when he visited Hungary in December 1974 and was host to Mr Callaghan in July 1975. He again visited Britain in 1976 as the guest of Dr Owen. He was seen by the Prime Minister during his visit to Britain from 27 February to 2 March 1977. Received Mr Edmund Dell in July 1978. Travels very extensively.

Married with one daughter. He speaks German but his wife speaks only Hungarian. However both understand some English and are reportedly taking lessons.

A muscovite who takes a hard line though he now frequently emphasises in public the need for détente in Europe and his devotion to the spirit of Helsinki. There are reports that in Vienna in 1956 he "wobbled" over backing the Imre Nagy Government and fled to Prague. This may explain the orthodox line he takes now.