

POLAND: ADVANCE COPIES

19 25

PS/LPS
PS/MR BLAKER
PS/MR HURD
PS/PUS
MR BULLARD
MR FERGUSSON
SIR A ACLAND
MR P H MOBERLY

NO 10 DOWNING ST
DIO CABINET OFFICE
ASSESSMENTS STAFF
CABINET OFFICE

DO/DOT
DO/HM.TSY
DO/K.C.G.D. A

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HEAD/EESD
HEAD/DEFENCE D
HEAD/PUSD (2)
HEAD/WED
HEAD/NEWS D
HEAD/PLANNING STAFF
HQ Core D
HQ Core E Unit
~~PROPERTY CLERK~~

HQ ECO(E)

IMMEDIATE

CONFIDENTIAL

*The grounds are though
the situation is at least
as serious as we had
thought.*

ADVANCE COPY

FM WARSAW 231430Z DEC
TO IMMEDIATE FCO
TELEGRAM NUMBER 551 OF 23 DEC

IMMEDIATE

INFO PRIORITY PARIS BONN WASHINGTON ROME VIENNA TOKYO
BERNE STOCKHOLM BRUSSELS DOT TREASURY ECGD

mf

YOUR TEL NO 639 : ECONOMIC ASSISTANCE FOR POLAND

1. I SPOKE AS INSTRUCTED TO THE MINISTER FOR FOREIGN TRADE THIS MORNING, LEAVING BEHIND AN AIDE MEMOIRE BASED ON FCO TEL NO 637.
2. IN THE ENSUING DISCUSSION KARSKI AND HIS ADVISERS WERE CLEARLY MOST CONCERNED ABOUT THE GENERAL POLISH REPAYMENT POSITION. THE MINISTERS FIRST QUESTIONS WERE ABOUT THE PRECISE IMPLICATION OF THE WORDS "AT LEAST" IN PARAGRAPH 1(IV) OF FCO TEL 637 AND FOR MORE INFORMATION ABOUT FIGURES FOR POSSIBLE BRITISH FINANCIAL ASSISTANCE. I DECLINED TO BE DRAWN ON EITHER POINT. HE THEN SAID THAT HE WAS VERY WORRIED ABOUT TIMING. HE HAD HOPED FOR FIRM DECISIONS BY THE END OF 1980. BUT IT NOW SEEMED UNLIKELY THAT FIRM PROPOSALS WOULD RESULT FROM THE PARIS MEETING CURRENTLY UNDER WAY. AMONG OTHER THINGS HE RECOGNISED THAT THE AMERICANS WERE NOT READY TO GIVE AN ANSWER. THE FOLLOW UP MEETING MIGHT NOT TAKE PLACE UNTIL LATE JANUARY AND

UP MEETING MIGHT NOT TAKE PLACE UNTIL LATE JANUARY AND EVEN THEN THE NEW US ADMINISTRATION WOULD HAVE OTHER THINGS ON ITS MIND. BUT POLAND HAD AN IMMEDIATE PROBLEM. WE WERE ONLY 8 DAYS FROM 1981, WHEN A NEW MONTH WOULD SEE NEW REPAYMENT OBLIGATIONS. IF IT WERE NOT FEASIBLE TO HAVE IMMEDIATE FINANCIAL HELP, COULD SOME SUB-BRIDGING ARRANGEMENT BE MADE? I ASKED WHAT REPAYMENTS WERE DUE TO BRITAIN IN JANUARY AND THE MINISTER PROMISED TO PROVIDE DETAILS. KARSKI CONCLUDED WITH A PLEA THAT HMG SHOULD GIVE THE POLES SOME IDEA OF THE LIKELY TIMETABLE MENTIONED IN THE LAST SENTENCE OF FCO TEL 637 AND I PROMISED TO PASS ON THIS REQUEST.

3. ON EC HELP KARSKI INTERJECTED THAT WHILE THE POLISH GOVERNMENT WAS PLEASED TO HAVE SECURED A SYMPATHETIC RESPONSE FROM BRUSSELS, IT WAS MISLEADING TO LABEL THIS FOOD "AID" SINCE IT WAS RATHER FOOD SALES ON SPECIAL TERMS", EVIDENCE OF TYPICAL POLISH SENSITIVITY. I REPEATED THAT WE WOULD PLAY OUR PART IN THIS COMMUNITY PACKAGE AND WAS ASKED WHAT WOULD BE THE TERMS AND CONDITIONS ATTACHED TO OUR CREDIT FACILITIES. I SAID THAT THE WAY WAS NOW CLEAR FOR THE POLISH EMBASSY IN LONDON TO DISCUSS DETAILS WITH MAFF AND ECGD.

4. THE MINISTER WAS GRATEFUL FOR THIS INTERIM REPLY BUT CLEARLY INTENSELY ANXIOUS ABOUT THE IMMEDIATE REPAYMENT SITUATION IN THE LIGHT OF PROBABLE DELAY IN REACHING COLLECTIVE WESTERN DECISION.

5. IT WOULD BE USEFUL IF POSSIBLE TO KNOW (A) DETAILS OF THE TERMS OF THE CREDIT PACKAGE WHICH ECGD WILL BE PUTTING TO THE POLISH EMBASSY FOR OUR BARLEY, BEEF AND BUTTER OFFERS AND (B) ECGD'S LIST OF MAJOR REPAYMENTS DUE IN JANUARY.

PRIDHAM

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15329

IMMEDIATE

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GRS 200

RESTRICTED

FM WARSAW 231030Z DEC

TO IMMEDIATE FCO

TELEGRAM NUMBER 548 OF 23 DECEMBER

INFO ROUTINE MOSCOW PRAGUE SOFIA BUDAPEST BUCHAREST

EAST BERLIN BELGRADE UKDEL NATO WASHINGTON PARIS

BONN HELSINKI STOCKHOLM MODUK

M I P T : KANIA'S SPEECH

1. THE SPEECH MADE BY THE FIRST SECRETARY AT THE FIRST MEETING OF THE CONGRESS PREPARATORY MEETING WAS AN IMPORTANT ONE, AND KANIA HAS USED IT TO DEVELOP TWO THEMES THAT HAVE APPEARED IN RECENT PUBLIC PRONOUNCEMENTS: ATTACKS ON KOR, AND ATTACKS ON THE WEST FOR INTERFERING IN POLAND'S INTERNAL AFFAIRS. BUT THIS IS THE FIRST TIME THAT EITHER ATTACK HAS BEEN MADE EXPRESSLY AT SUCH A HIGH LEVEL.

2. THE ATTACK ON KOR, WHICH FOLLOWS THE REMARKS OF FATHER ORSZULIK, (MY TELNO 545) IS PARTLY AN ATTEMPT TO DRVIE A WEDGE BETWEEN SOLIDARNOSC AND ITS MORE " ANTI-SOCIALIST" ADVISERS. BUT IT MAY POSSIBLY PRESAGE A MOVE AGAINST KOR OVER THE CHRISTMAS PERIOD (YOUR TELNO 541).

3. THE ATTACK ON NATO IS MORE PREDICTABLE, AND REFLECTS
... ..

3. THE ATTACK ON NATO IS MORE PREDICTABLE, AND REFLECTS
WHAT IS LIKELY TO BE A RECURRING THEME IN THE NEXT FEW MONTHS.
NO DOUBT SUPPORT OF THE SOVIET LINE IS PART OF THE PRICE
THE POLISH GOVT MUST PAY, BUT THIS APPROACH IS UNLIKELY
TO CUT MUCH ICE WITH THE PEOPLE WHATEVER ITS EFFECT ON
EAST-WEST RELATIONS. BUT THERE IS SOME GENUINE RESENTMENT
AT THE SENSATIONAL REPORTS OF THE WESTERN MEDIA.
(CF REMARKS TO ME BY BISHOP DABROWSKI)

PRIDHAM

BT

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*3 Telegrams on the latest
developments in Poland.*

CRS 400

UNCLASSIFIED

FM WARSAW 231030Z DEC

TO IMMEDIATE FCO

TELEGRAM NUMBER 547 OF 23 DEC

INFO ROUTINE MOSCOW PRAGUE SOFIA BUDAPEST BUCHAREST EAST BERLIN
BELGRADE UKDEL NATO WASHINGTON PARIS BONN HELSINKI STOCKHOLM
MODUK

KANIA'S SPEECH TO THE CONGRESS PREPARATORY COMMISSION

1. FOLLOWING ARE EXTRACTS FROM KANIA'S SPEECH AT THE WEEKEND TO THE FIRST MEETING OF THE CONGRESS PREPARATORY COMMISSION:

" ACTIONS FROM THE POSITIONS OPPOSED TO US ARE STILL TAKING PLACE. AT VARIOUS MEETINGS AND GATHERINGS REPRESENTATIVES OF THE KOR VOICE VIEWS WHICH NOT ONLY FAIL TO SERVE STABILITY IN THE COUNTRY BUT ARE AIMED AGAINST THE FUNDAMENTAL INTERESTS OF SOCIALIST POLAND. THE SITUATION IN THIS COUNTRY IS STILL GENERATING GREAT INTEREST IN THE INTERNATIONAL FORUM. WE TAKE NOTE OF ALL OPINIONS ABOUT US. WE WELCOME THE KIND VOICES, THERE ARE MANY OF THEM, YET WE ALSO WITNESS ATTEMPTS AT CREATING AN ARTIFICIAL ATMOSPHERE OF EXCITEMENT AND TENSION AROUND OUR COUNTRY, AT EXPLOITING THE EVENTS IN POLAND FOR THE REALIZATION OF ENDS WHICH NOT ONLY RUN COUNTER TO OUR INTERESTS BUT ALSO TO THE INTERESTS OF DETENTE AND WORLD PEACE....." " IT IS SYMPTOMATIC THAT AT THE SAME TIME A FLURRY OF STATEMENTS AND COMMENTS WAS WHIPPED UP IN THE WEST, WHOSE CONTENT REMAINS IN

SAME TIME A FLURRY OF STATEMENTS AND COMMENTS WAS WHIPPED UP IN THE WEST, WHOSE CONTENT REMAINS IN CLEARING CONTRAST TO OFFICIAL DECLARATIONS ON NON-INTERFERENCE IN THE INTERNAL AFFAIRS OF OUR COUNTRY. THE MASS MEDIA HAVE BEEN RECENTLY JOINED IN THEIR SPECULATIONS BY NATO'S LEADERSHIP CIRCLES AND OTHER POLITICAL CENTRES IN THE WEST. AN ALARMIST CAMPAIGN OF ABSURD INSINUATIONS ABOUT DANGERS TO POLAND ON THE PART OF HER ALLIES IS CONTINUING. INSINUATIONS OF THIS KIND HAVE BEEN CONTAINED IN THE COMMUNIQUE FROM THE RECENTLY CONCLUDED SESSION OF THE NATO COUNCIL. OF PARTICULARLY PROVOCATIVE AND COLD-WAR NATURE ARE THE STATEMENTS BY THE NATO SECRETARY, LUNS. WE STRONGLY PROTEST AGAINST SUCH ACTIVITIES. THE WEST'S PRESENT POLITICAL AND PROPAGANDA CAMPAIGN DOES NOT SERVE THE PROCESS OF NORMALISATION AND RENEWAL OF SOCIAL LIFE IN POLAND. THIS IS A HIGHLY IRRESPONSIBLE GAMBLE WHICH NOT ONLY HAMPERS THE STABILISATION OF INTERNAL SITUATION IN OUR COUNTRY BUT ALSO LEADS TO THE AGRAVATION OF RELATIONS BETWEEN THE WEST AND THE EAST, TO THE UNDERMINING OF THE DETENTE PROCESS IN EUROPE AND TO THE GROWTH OF INTERNATIONAL TENSION. PEKING HAS RECENTLY JOINED IN THAT CAMPAIGN AND BEHAVIOUR CONTRADICTING THE INTERESTS OF PEACE AND DETENTE.

2. FOR COMMENTS SEE MIFT.

PRIDHAM

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