

CONFIDENTIAL

2603 - 2

GRS 258

CONFIDENTIAL

FM FCO 161700Z JAN 81

TO PRIORITY WARSAW

TELEGRAM NUMBER 26 OF 16 JANUARY

INFO ROUTINE MOSCOW, PRAGUE, BUDAPEST, EAST BERLIN

SAVING BUCHAREST, SOFIA, BELGRADE, WASHINGTON, PARIS, BONN,

UKMIS NEW YORK, STOCKHOLM, HELSINKI

*ms*

CALL BY THE POLISH AMBASSADOR

1. THE POLISH AMBASSADOR CALLED ON BULLARD TODAY. HE WAS HIS USUAL EXCITABLE SELF. HE SAID THAT FOR THE FIRST TIME SINCE THE CRISIS BEGAN HE WOULD DESCRIBE THE GENERAL SITUATION AS DANGEROUS, NOT BECAUSE OF THE THREAT OF SOVIET INTERVENTION (IN WHICH HE HAD NEVER BELIEVED AND STILL DID NOT) BUT BECAUSE OF THE SHRINKING INTERNAL ROOM FOR MANEOUVRE. EXTREME FORCES WHO HAD NO INTEREST IN REFORM, BOTH IN SOLIDARITY AND IN THE PARTY, CONSTITUTED A PARADOXICAL ALLIANCE IN WORKING AGAINST AGREEMENT. KADAR HAD COMMENTED TO THE POLISH AMBASSADOR IN BUDAPEST THAT THE POLES SHOULD HAVE MADE GENEROUS POLITICAL BUT NO ECONOMIC COMPROMISES NOT THE OTHER WAY ABOUT. THERE COULD BE NO COMPROMISE ON AN ISSUE AS VITAL TO THE ECONOMY AS SATURDAY WORKING.

2. BISZTYGA EMPHASISED THE POLITICAL SIGNIFICANCE OF THE ECONOMIC REFORMS NOW BEING INTRODUCED. THEY WERE THE MAJOR GUARANTEE OF THE RENEWAL, SINCE WORKER SELF-MANAGEMENT AND THE DIMINUTION OF CENTRAL GOVERNMENT CONTROL WOULD BE IMPOSSIBLE TO REVERSE. THE USSR HAD GIVEN ITS CONSENT TO REFORMS: AT THE MOMENT MOSCOW WAS MORE CONCERNED ABOUT REVIVING THE POLISH ECONOMY THAN ABOUT HOW THIS WAS ACHIEVED. BUT, SAID BISZTYGA, THE ONLY ELEMENT CAPABLE OF LEADING THE COUNTRY OUT OF ITS DIFFICULTIES CONSISTED OF THE MODERATE FORCES WITHIN THE PARTY.

CARRINGTON

[COPIES SENT TO NO 10 DOWNING STREET]

POLAND SPECIAL STANDARD

~~ECD (E)~~

~~EESD~~

CSCE UNIT

CONS D

NAD

SED

WED

~~ECD (I)~~

ESID

TRED

JNU

SPD

~~SAD~~

SECURITY D

OLA  
CABINET OFFICE

COPIES TO

PS/S OF S }  
MR DICK } DOT  
MR POWNALL }

PS/CHANCELLOR }  
SIR K COUZENS } TREASURY  
MISS BAKER }

MR P J BULL BANK OF ENGLAND

MR COTTERILL ECGD  
MR MOUNTFIELD TREASURY

MR WOOLGAR D/EMPLOYMENT  
CAXTON HOUSE TOTTELL STREET

CONFIDENTIAL