

POLAND: ADVANCE COPIES ~~21~~ 21

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SIR A ACLAND
MR ~~P-H~~ MOBERLY *BRANTHWAITE*

NO 10 DOWNING ST
DIO CABINET OFFICE
ASSESSMENTS STAFF
CABINET OFFICE

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IMMEDIATE

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GRS 700

RESTRICTED

FM WARSAW 161200Z FEB

TO IMMEDIATE FCO

TELEGRAM NUMBER 124 OF 16 FEB

INFO IMMEDIATE CABINET OFFICE (FOR ASSESSMENT STAFF)

INFO ROUTINE MOSCOW EAST BERLIN PRAGUE PARIS BONN
WASHINGTON UKDEL NATO MODUK

SAVING TO SOFIA BUDAPEST BUCHAREST BELGRADE HELSINKI STOCKHOLM
UKMIS NEW YORK UKREP BRUSSELS

POLISH SITUATION

1. IT SEEMS LIKELY THAT THERE WILL NOW BE A LULL IN THE
CRISIS OR AT LEAST A HONEYMOON PERIOD FOR THE NEW
GOVERNMENT. BUT ENOUGH IS GOING ON UNDER THE SURFACE
TO CAUSE DISQUIET TO THE AUTHORITIES.

INDUSTRIAL UNREST

2. IN RESPONSE TO JARUZELSKI'S APPEAL FOR A 90-DAY
MORATORIUM ON STRIKES, WALESA HAS SAID THAT SOLIDARITY

2. IN RESPONSE TO JARUZELSKI'S APPEAL FOR A 90-DAY MORATORIUM ON STRIKES, WALESZA HAS SAID THAT SOLIDARITY WOULD BE IN FAVOUR IN PRINCIPLE BUT THAT ACTUAL IMPLEMENTATION OF THE MORATORIUM WOULD DEPEND ON THE GOVERNMENT'S ACTIONS. HOWEVER, THE STATE OF STRIKE READINESS THAT HAS BEEN MAINTAINED IN WROCLAW FOR ABOUT THE LAST FORTNIGHT HAS BEEN CALLED OFF. WHILST THIS IS UNLIKELY TO MAKE MUCH PRACTICAL DIFFERENCE, THE GOVERNMENT SHOULD FEEL THAT THIS IS A GESTURE IN THE RIGHT DIRECTION IN THIS CRUCIAL INDUSTRIAL TOWN.

3. IN LODZ, THE DISPUTE BETWEEN THE STUDENTS AND THE AUTHORITIES CONTINUES. AGREEMENT SEEMS TO HAVE BEEN REACHED ON ALL ACADEMIC QUESTIONS. THE MAJOR POINTS STILL OUTSTANDING ARE THOSE OF MILITARY SERVICE AND THE RIGHT OF THE EMBRYO INDEPENDENT STUDENTS ORGANISATION RECOGNISED BY THE GOVERNMENT DURING THE NEGOTIATIONS TO CALL STRIKES. THE STUDENT'S NEGOTIATING TACTICS APPEAR TO BE PUTTING THE GOVERNMENT SIDE UNDER CONSIDERABLE STRAIN.

THE PARTY

4. THE WORKING GROUP OF THE PRE-CONGRESS COMMISSION RESPONSIBLE FOR AGRICULTURE AND THE FOOD INDUSTRY MET OVER THE WEEKEND. ITS PREVIOUS CHAIRMAN, WOJTECKI, HAS BEEN PROMOTED TO BE MINISTER OF AGRICULTURE. THE FACT THAT DRAFTING OF THE GUIDELINES IS STILL GOING ON IN THIS AREA SEEMS TO INDICATE THAT THE PARTY CONGRESS PREPARATIONS ARE LITTLE FURTHER FORWARD. PROSPECTS FOR AN EARLY CONGRESS CONTINUE TO RECEDE.

THE GOVERNMENT

5. A SOMEWHAT SELF-CONCIOUS ATTEMPT AT PROJECTING JARUZELSKI AS THE EPITOME OF PATRIOTIC VIRTUE HAS CONTINUED OVER THE WEEKEND. JARUZELSKI AND SOME OF HIS MINISTERS GAVE A FRANK BUT REASSURING PRESS CONFERENCE TO POLISH JOURNALISTS ON 13 FEBRUARY. JARUZELSKI STRESSED THE SERIOUSNESS OF THE SITUATION BUT INDICATED THAT DIALOGUE WITH THE UNIONS MUST CONTINUE. HE DID NOT DEMUR WHEN A JOURNALIST DESCRIBED HIS ADMINISTRATION AS QUOTE A GOVERNMENT OF NATIONAL SALVATION UNQUOTE.

6. ON SATURDAY, 14 FEBRUARY, RAKOWSKI AND WALESZA MET FOR THE FIRST TIME FOLLOWING RAKOWSKI'S APPOINTMENT AS VICE-PREMIER WITH RESPONSIBILITY FOR TRADES UNION MATTERS. THIS EARLY MEETING MAY BE AN EARNEST OF THE NEW

MATTERS. THIS EARLY MEETING MAY BE AN EARNEST OF THE NEW GOVERNMENTS INTENTIONS TOWARDS THE UNIONS. IT IS NOT EASY TO ASSESS THE LIKELY EFFECT OF RAKOWSKI'S APPOINTMENT. ON THE ONE HAND, HE WAS FOR MANY YEARS THE NEAREST THING TO A LIBERAL WITHIN THE ESTABLISHMENT. BUT ON THE OTHER HAND, HIS APPOINTMENT HAS PERHAPS COME TOO LATE TO BE SEEN AS ANYTHING OTHER THAN A SIGN OF DESPERATION ON THE PART OF THE GOVERNMENT.

THE CHURCH

7. FOLLOWING LAST WEEK'S MEETING OF THE MAIN BOARD OF THE EPISCOPATE, BISHOP DABROWSKI HAS VISITED ROME AND BEEN RECEIVED BY THE POPE. AFTER A PERIOD OF QUIESCENCE, THE CHURCH HAS BEEN PLAYING A MORE ACTIVE ROLE. ITS SUPPORT OF SOME ASPECTS OF THE WORKERS/PEASANTS' DEMANDS HAS BEEN UNEQUIVOCAL. BUT IT HAS ALSO REITERATED THE NEED FOR INTERNAL PEACE, AND FOR RESPONSIBILITY ON THE PART OF THE AUTHORITIES.

ECONOMY

8. AS EXPECTED, JANUARY WAS A BAD MONTH FOR THE ECONOMY. PRELIMINARY RESULTS, REVEALED LAST WEEK BY KANIA AND GRABSKI, PUT INDUSTRIAL PRODUCTION AT 92.4% OF THE JANUARY 1980 FIGURES, WITH WAGES UP 19%. IN THE FOREIGN TRADE FIELD, IMPORTS WERE 98% ON JANUARY 1980 BUT EXPORTS ONLY 75% (77% FOR EXPORTS TO HARD CURRENCY COUNTRIES). A LARGE PART OF THE DISAPPOINTING EXPORT PERFORMANCE CAN BE EXPLAINED BY A SHORTFALL IN COAL PRODUCTION WHERE 13.3 MILLION TONS WERE PRODUCED IN JANUARY, ONE MILLION TONS BELOW THE PLAN AND BARELY ENOUGH TO SATISFY THE HOME MARKET. FEBRUARY LOOKS A BIT MORE PROMISING. THERE SEEM TO BE NO SERIOUS STRIKES IN POLAND AT PRESENT AND MAY ENTERPRISES HAVE BEEN PUTTING IN A FULL DAY'S WORK ON THE LAST TWO SATURDAYS DESIGNATED AS FREE SATURDAYS.

FCO PLEASE PASS ALL SAVING ADDRESSEES.

PRIDHAM

BT