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CONFIDENTIAL FM WARSAW 051630Z JUL P IMMEDIATE MOSCOW (DESKBY 051900Z)

TELEGRAM NUMBER 26 OF 5 JULY

AND TO PRIORITY FCO

MESSAGE TO CONVEY.

VIEWS OF POLISH PRIME MINISTER

1. RATHER SURPRISINGLY, GENERAL JARUZELSKI ASKED ME is When to be .
AT SHORT NOTICE TO PAY MY INTRODUCTORY CALL
YESTERDAY AFTERNOON JULY 1. DODOGO TO COLL YESTERDAY AFTERNOON JULY 4. DOBROSIELSKI, DEPUTY FOREIGN MINISTER, WAS ALSO PRESENT. JARUZELSKI WAS FRIENDLY AND TALKED FOR NEARLY AN HOUR AND A HALF. CONVERSATION WAS GENERAL AND HE HAD NO SPECIFIC

I ASKED HIM IF HE WOULD GIVE ME HIS VIEWS ON THE FORTHCOMING CONGRESS, ON THE ECONOMIC SITUATION AND ON THE INTERNATIONAL SITUATION.

3. CONGRESS. HE STRONGLY ATTACKED ANARCHIC TENDENCIES IN SOLIDARITY THE GOVERNMENT AND PARTY HAS CHOSEN THE PATH OF POLITICAL PERSUASION AND THEY WERE DETERMINED TO KEEP ON THIS PATH. BUT ITS TASK WAS MADE DIFFICULT BY IRRESPONSIBLE ELEMENTS. SOME OF THESE ETREMISTS WERE MAKING CONTACTS WITH THE WEST AND IT WOULD BE WISE NOT TO PLAY THEIR GAME. HE THOUGHT THE CONGRESS WOULD SUCCEED. I SAID THAT I UNDERSTOOD THAT THE MAIN BODY OF SOLIDARITY WAS MODERATE AND THAT THE MAIN BODY OF SOLIDARITY WAS MODERATE AND THAT THE
GOVERNMENT WAS CO-OPERATING WITH IT IN VARIOUS

COMMISSIONS ETC. JARUZELSKI SAID IT WAS TRUE THAT THERE WERE

AREAS OF GOODCO-OPERATION. BUT SOLIDARITY WAS ALL THE

SAME BEHAVING IN A WAY, POLITICALLY, WHICH NO OTHER

TRADE UNION IN THE WORLD WAS ALLOWED TO BEHAVE. ITS

POLITICAL AMBITIONS WERE EXCESSIVE. I SAID THAT I WAS

SURE THAT HE KNEW THE POSITION OF THE BRITISH

GOVERNMENT. WE WISHED POLAND WELL IN ITS PRESENT DIFFICULTIES

AND BELIEVED THAT POLAND SHOULD BE LEFT FREE TO RESOLVE

THEM WITHOUT OUTSIDE INTERFERENCE. THEM WITHOUT OUTSIDE INTERFERENCE.

THE ECONOMCI SITUATION JARUZELSKI SAID THAT THERE HAD BEEN MANY MISTAKES IN THE PAST. THE MAIN AIM NOW WAS TO OVERCOME THE IMMEDIATE CRISIS AND TO LAY THE BASIS FOR LONG-TERM REFORM. 20% DROP IN COAL PRODUCTION WAS A HEAVY BLOW. BUT THE GOVERNMENT WERE WORKING ON A PLAN TO IMPROVE PRODUCTION AND WERE TALKING TO THE UNIONS. THEY HOPED THE HARVEST WOULD BE REASONABLE. HE HAD JUST APPROVED CHANGES IN THE ECONOMIC MINISTRIES WHICH HE THOUGHT WOULD BE HELPFUL. I SAID THAT THERE WERE SO MANY PLANS. COULD THE GOVERNMENT NOT PULL THEM TOGETHER INTO A PACKAGE AND PUBLISH A COHERENT REPORT? THEY NEEDED TO SHOW THE OUTSIDE WORLD THAT THEY WERE PREPARED TO TAKE VIGOROUS, URGENT AND REALISTIC ACTION. JARUZELSKI SAID THAT THE ECONOMIC RECOVERY AND STABILISATION PLAN WOULD BE READY BY THE END OF JULY. THE MAIN FEATURES WERE KNOWN. THE PLAN FOR LONG-TERM REFORM MIGHT BE PUBLISHED AFTER THE CONGRESS. THE MAIN THING WAS TO MOVE TO ACTION. IT WOULD MEAN CONSIDERABLE ADDITIONAL SACRIFICES FOR THE PEOPLE - BUT THE GOVERNMENT AND PARTY WERE TALKIN TO THE UNIONS AND HOPED TO HAVE THEIR CO-OPERATION. HE MENTIONED THE PROFITABILTLY IN ENTERPRISES. WORKER PARTICIPATION AND SELF MANAGEMENT AS UNDER CONSIDERATION. CONFIDENTIAL

Prime Minister

The Chancellar continues to take a hard line on further oresit for porum (see pura 5 of his telegram and me whach I have asked FCO to let us know soon what their response

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5. POLAND HAD RECEIVED A GREAT DEAL OF HELP FROM THE CMEA. EPECIALLY THE SOVIET UNION. LATTERLY MUCH OF THIS HELP HAD BEEN OUTRIGHT, 'NON-RETURNABLE' AS HE PUT IT. IT WAS VITALLY IMPORTANT THAT INTERNAL DEVELOPMENTS IN POLAND DID NOT OBSTRUCT THE FLOW OF ECONOMIC HELP FROM THE EAST. HE UNDERLINED THIS POINT. AS FOR THE WEST, THEY HAD DONE A LOT AND HE WISHED TO THANK BRITAIN FOR THE HELP THEY HAD GIVEN. HE KNEW BRITAIN HAD DIFFICULTIES AS WELL BUT HE COULD ASSURE ME THAT POLANDS WERE GREATER. HE HOPED BRITAIN WOULD FIND IT POSSIBLE TO HELP WITH THE RECENT REQUEST FOR SHORT-TERM FINANCIAL CREDIT (I.E. 100 MILLION DOLLARS) AND USE HER INFLUENCE GENERALLY WITH THE UNITED STATES. HE TOOK MY POINT ABOUT THE NEED FOR BETTER AND CLEARER PRESENTATION. HE WOULD LOOK INTO THIS BUT THE MAIN PERSUASION WOULD BE EARLY ACTION. I AGREED.

6. AS REGARDS INTERNATIONAL AFFAIRS, POLAND NEEDED STABILITY IN EUROPE JUST AS SHE NOW NEEDED STABILITY AT HOME. THE POLISH GOVERNMENT LOOKED FOR A POSITIVE OUTCOME TO THE MADRID CONFERENCE AND HOPED THAT A CONFERENCE ON MILITARY DETENTE COULD BE HELD IN WARSAW. BRITAIN'S ROLE AS A REALISTIC AND EXPERIENCED COUNTRY WAS IMPORTANT. YOU HAD TWICE HAD CONTACT WITH POLISH LEADERS AT IMPORTANT AND DELICATE MOMENTS IN THE COUNTRYS HISTORY AND THE DISCUSSIONS HAD BEEN VALUABLE.

7. I ASKED HIM WHETHER HE THOUGHT THE POLISH GOVERNMENT WOULD BE ABLE TO MAINTAIN A BROAD, REFORMIST, CENTRAL CONSENSUS THROUGH AND BEYOND THE CONGRESS. HE SAID IT WOULD BE DIFFICULT BUT HE THOUGHT IT WAS POSSIBLE.

8. I FOUND JARUZELSKI, CONTRARY TO WHAT I HAD BEEN TOLD, EASY TO TALK TO, DIRECT, WITH A DRY SENSE OF HUMOUR. HIS TONE, HOWEVER, BECAME NOTICEABLY FIRM WHEN TALKING ABOUT SOLIDARITY. ON LEAVING HE ASKED ME VERY WARMLY TO GIVE HIS REGARDS TO THE PRIME MINISTER. I WAS NOT ABLE TO GLEAN ON THIS OCCASION ANYTHING ABOUT THE GROMYKO VISIT.

JAMES

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