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FOLLOWING FROM PRIVATE SECRETARY

SECRETARY OF STATE'S MEETING WITH POLISH FOREIGN MINISTER: 21 SEPTEMBER.

SUMM ARY

1. 45 MINUTE CONVERSATION WAS ENTIRELY TAKEN UP WITH DISCUSSION OF SITUATION IN POLAND. CZYREK, WHILE SPEAKING FRANKLY ABOUT POLITICAL AND ECONOMIC DIFFICULTIES, SAID THAT HE WAS NOT A PESSIMIST. SOLUTIONS TO PROBLEMS WOULD TAKE TIME AND THE PROCESS (WHICH HAD TO TAKE INTO ACCOUNT BOTH THE DOMESTIC AND INTERNATIONAL SITUATION) MIGHT BE DIFFICULT FOR OTHERS TO UNDERSTAND. IF THE WEST HELPED POLAND, BOTH ECONOMICALLY AND BY ENCOURAGING POLITICAL MODERATION, THEY SHOULD FIND THE RESULTS WOULD BE AS THEY WOULD WISH.

POLITICAL

- 2. CZYREK SAID THAT SOLIDARITY HAD GONE TOO FAR AT THE FIRST STAGE OF THEIR CONGRESS. THE MESSAGE TO WORKERS IN EASTERN EUROPE WAS SILLY AND PROVOCATIVE ("'AS WE SAY EXPORTING COUNTER-REVOLUTION"). ANOTHER DANGER WAS SOLIDARITY'S FAILURE TO RESPOND POSITIVELY OR EVEN TACTFULLY TO THE GOVERNMENT'S ATTEMPTS TO PERSUADE THEM TO SHARE ECONOMIC RESPONSIBILITY. SOLIDARITY'S ATTITUDE ON THE APPOINTMENT OF MANAGERS WAS NOT THE KEY POINT (BOTH SOLIDARITY'S AND THE GOVERNMENT'S PROPOSALS WOULD REQUIRE CONSENSUS) BUT THEIR POSITION ON ELECTIONS TO PARLIAMENT WAS A POLITICAL CHALLENGE. IF ONE PARTNER WOULD NOT COOPERATE AND SHARE RESPONSIBILITY AND INSTEAD THREW DOWN THE GAUNTLET AND STROVE FOR POWER, IT WAS NOT SURPRISING THAT THE POLISH POLITBURO HAD MADE THE STATEMENT IT HAD, TO TRY TO BRING PEOPLE TO THEIR SENSES. BUT THE POLISH AUTHORITIES HAD NOT CLOSED THE DOOR, AND HOPED THAT SOLIDARITY WOULD MAKE USE OF THE REMAINING GAP BEFORE AND DURING THE SECOND HALF OF THE CONGRESS. THE GOVERNMENT WERE DOING ALL THEY COULD TO THIS END.
- 3. CZYREK ADDED THAT NO-ONE SHOULD BE SURPRISED THAT THE SOVIET AMBASSADOR HAD MADE THE APPROACH HE DID. ASKED BY THE SECRETARY OF STATE WHETHER THE POLISH AUTHORITIES HAD FOUND THE SOVIET STATEMENT HELPFUL, HE ANSWERED THAT THEY WOULD NOT HAVE PUBLISHED IT IF THEY HAD NOT.

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- 4. THE SECRETARY OF STATE SAID THAT WE WANTED TO DO WHAT WE COULD TO HELP BUT:
- INDICATIONS OF THE ECONOMIC HELP WHICH MIGHT BE NEEDED IN
 THE LONGER TERM WERE MORE AND MORE ALARMING. IF THINGS WENT
 ON IN THAT WAY THE WEST MIGHT NOT HAVE THE CAPACITY TO HELP.
 WE WOULD RATHER TAKE AN OVERALL LOOK THAN FACE NEW DECISIONS
 EVERY THREE MONTHS:
- IF AFTER THE SECOND PART OF THE SOLIDARITY CONGRESS THE POLISH AUTHORITIES FOUND THEMSELVES HAVING TO TAKE MEASURES THEY WOULD HAVE WISHED TO AVOID, THINGS WOULD BE MADE VERY DIFFICULT FOR THE WEST.
- 5. CZYREK RESPONDED TO THE FIRST POINT BY SAYING THAT THIS WAS .
 EXACTLY WHAT THE POLISH GOVERNMENT WERE TRYING TO EXPLAIN TO SOLIDARITY, AND TO THE SECOND BY SAYING THAT THE GOVERNMENT WOULD NOT RESORT TO EXTREME MEASURES UNLESS THEIR ATTEMPTS TO ENSURE RESPECT FOR LAW AND ORDER BY NORMAL MEANS WERE IGNORED AND THE COUNTRY APPEARED TO BE HEADING FOR ANARCHY.
- 6. CZYREK SAW SOME GROUNDS FOR OPTIMISM IN THE POSITION OF THE CHURCH, WHICH HE BELIEVED WOULD WORK IN THE SAME DIRECTION AS THE PARTY AND THE GOVERNMENT. HE ARGUED ALSO THAT ELEMENTS IN SOLIDARITY HAD DROPPED THEIR MASK DURING THE FIRST STAGE OF THE CONGRESS AND THAT THERE WAS NOW MORE CRITICISM OF THE ORGANISATION AND SOME 50,000 RESIGNATIONS. PEOPLE WERE AFRAID OF WHERE SOLIDARITY WAS LEADING BOTH POLITICALLY AND ECONOMICALLY, AND EVEN THOSE WHO DID NOT AGREE WITH THE GOVERNMENT WERE BEGINNING NOT TO AGREE WITH SOLIDARITY. 800,000 MEMBERS OF SOLIDARITY WERE ALSO MEMBERS OF THE PARTY. A THIRD FORCE WAS EMERGING THOUGH IT WAS STILL PASSIVE. THESE WERE POSITIVE DEVELOPMENTS WHICH MIGHT HAVE A BENEFICIAL INFLUDENCE ON THE SECOND STAGE OF THE CONGRESS. HE HOPED ALSO THAT SOLIDARITY'S REPLY TO THE SOVIET STATEMENT WOULD SHOW EVIDENCE OF GOODWILL (HE SEEMED MORE CONCERNED ABOUT FORM THAN SUBSTANCE).

ECONOM IC

- 7. CZYREK SAID THAT THE WEST HAD SO FAR NOT HELPED AS MUCH AS THE POLES HAD EXPECTED, ESPECIALLY AS REGARDS DEPOSITS AND IN THE INDUSTRIAL SECTOR (HE ACKNOWLEDGED THE HELP WHICH HAD BEEN GIVEN OVER FOOD AND THE SECRETARY OF STATE SAID THAT WE WERE READY TO PLAY OUR PART IN THE THIRD TRANCHE OF EC FOOD). CZYREK EXPRESSED PARTICULAR CONCERN ABOUT DOWN PAYMENTS FOR CREDITS AND ASKED ALSO WHETHER THE COMMUNITY WOULD BE PREPARED TO OFFER TEMPORARY PREFERENTIAL TREATMENT FOR POLISH EXPORTS.
- 8. THE SECRETARY OF STATE SAID THAT THESE WERE QUESTIONS WHICH IT WOULD BE MUCH EASIER TO CONSIDER AS PART OF A FIRM OVERALL PLAN TO GET TO GRIPS WITH POLAND'S ECONOMIC DIFFICULTIES. HE ASKED ABOUT IMF MEMBERSHIP. CZYREK SAID THAT THERE WERE DIFFERENCES OF SYSTEM WHICH MADE THE QUESTION A HARD ONE FOR POLAND, BUT IMPLIED THAT

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THE POLES MIGHT APPLY IF IT COULD BE DEMONSTRATED THAT IMF MEMBERSHIP WOULD CONTRIBUTE TO THE STABILISATION OF THE ECONOMY AND PROVIDE TANGIBLE RESULTS: SO FAR, THEY HAD ONLY BEEN ASKED QUESTIONS. HE ACCEPTED THE SECRETARY OF STATE'S ARGUMENT FROM BRITISH EXPERIENCE THAT IMF CONDITIONS COULD BE HELPFUL TO THE GOVERNMENT CONCERNED.

9. CZYREK CONFIRMED GOOD INDICATIONS OF THE POLISH HARVEST. POLAND WOULD HAVE NO NEED TO IMPORT SUGAR NEXT YEAR AND THE POTATO HARVEST WAS ESTIMATED AT 50 MILLION TONS. THE GOVERNMENT INTENDED TO GIVE PRIORITY TO THE AGRICULTURAL SECTOR, BUT THIS WOULD REQUIRE IMPORTS OF EQUIPMENT, FERTILISERS AND PESTICIDES.

F C O PLEASE PASS SAVING TO ANKARA ATHENS BRUSSELS COPENHAGEN THE HAGUE LISBON LUXEMBOURG OSLO REYKJAVIK ROME.

PARSONS

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THIS TELEGRAM
WAS NOT
ADVANCED